



**Washington State  
Public Works Board  
Public Works Trust Fund**

**Application Guidelines**

February 2, 2004

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## Overview

The Public Works Board (Board) is authorized by state statute (RCW 43.155) to loan money to counties, cities, and special purpose districts to repair, replace, or create domestic water systems, sanitary sewer systems, storm sewer systems, roads, streets, solid waste and recycling facilities, and bridges.

The Board recognizes that projects of this nature can usually be broken into pre-construction and construction activities. Pre-construction activities include but are not limited to right-of-way acquisition, design work, engineering, permit acquisition, environmental review, and public notification. Construction activities focus on the activities that repair, replace, or create a facility. The Board offers pre-construction and construction loans and encourages jurisdictions to choose the one that best suits their specific needs.

Pre-construction loans are available year-round. Due to current legislative requirements, Construction loans are offered once each year. Applications for the 2005 cycle are due on May 10, 2004. This year the Board will pay close attention to the “readiness-to-proceed” status of the applicant’s project. This information will play a more important role in the construction loan selection process in the coming years. On occasion, the Board may offer a pre-construction loan rather than a construction loan if there are concerns about the project’s “readiness-to-proceed.”

Be sure to visit the Board’s website at [WWW.pwb.wa.gov](http://WWW.pwb.wa.gov) or call us at (360) 586-4120.

The anticipated loan terms are prominently displayed on the application’s cover sheet. The Construction applications are due on May 10, 2004. They either have to be postmarked or delivered to the Board on that date. If you’re shipping them on that date, be sure that the date stamped on the package reads May 10, 2004. We will not accept packages shipped later than May 11, 2004.

We need one document with original signatures and four copies for us to review. If you are submitting multiple applications, we strongly recommend that you package each application group separately or at least indicate in a cover letter that there is more than one application in the package.

Section II gives us information about the project’s cost and schedule. House Bill 1785 (Chapter 225, Laws of 1999) requiring recipients to incorporate the environmental benefits of the project into their applications is incorporated into the application. In addition, the Board shall also develop appropriate outcome focused performance measures to be used both for management and performance assessment of the loan program. Section III addresses eligibility requirements. The Board’s enabling legislation restricts eligibility somewhat. The questions in this section are designed to inform potential applicants of those constraints. If you have any questions about the restrictions or your jurisdiction’s current status, please call us at (360) 586-4120.

Section IV begins the rating portion of the application. Project need accounts for 40 percent of the total available points. Be sure to follow the instructions precisely. We have learned from reviewing hundreds of applications that one of the major problems encountered comes from not understanding the questions and following the instructions. Use the space allotted to fully explain the problem that’s being addressed, how the project will work, and what outcomes are expected as a result.

Section V deals with the jurisdiction’s effort to manage and maintain the system being improved. It is worth 60 percent of the available points. The important notes found at the beginning of the section are worth reviewing prior to completing the questions. If you are not sure about the approach or need additional clarification, please call us.

Our final recommendation is that you have someone who has not participated in preparing the application review it prior to wrapping it up. We receive applications with questions unanswered, boxes left unmarked, and well-deserved points left on the table. This is a highly competitive process, and one or two points make the difference between being funded and having to wait another year for funding. The balance of this document contains important information that can be used to complete the application. We recommend that you look through the material before you begin developing your application.

## ACRONYMS -- FREQUENTLY USED

AASHTO	American Association of State Highway and Transportation Officials
APWA	American Public Works Association
AWWA	American Water Works Association
BIA	Business Improvement Area
CFP	Capital Facilities Plan
CTED	Washington State Department of Community, Trade and Economic Development
DOE	Washington State Department of Ecology
DOH	Washington State Department of Health
DOR	Washington State Department of Revenue
DWSRF	Drinking Water State Revolving Fund
ERU	Equivalent Residential Unit
GIS	Geographical Information System
GMA	Growth Management Act
L&I	Washington State Department of Labor and Industries
LID	Local Improvement District
NEPA	National Environmental Protection Act
OCD	Office of Community Development
PWB	Public Works Board
PWP	Public Works Planning
PWTF	Public Works Trust Fund
RCW	Revised Code of Washington
RID	Road Improvement District
ROW	Right-Of-Way
SDWA	Safe Drinking Water Act
SEPA	State Environmental Policy Act
SERP	State Environmental Review Process
SWSMP	Small Water System Management Plan
TBD	Transportation Benefit District
UATA	Urban Arterial Trust Account
UCC	Uniform Commercial Code
ULID	Utility Local Improvement District
UTC	Utilities Transportation Commission
WAC	Washington Administrative Code
WSARP	Water System Acquisition/Rehabilitation Program
WIRA	Water Inventory Resource Area
WSP	Water System Plan

## ECONOMICALLY DISTRESSED COUNTIES

The Legislature has defined specific information the Public Works Board may consider in establishing a prioritized list of public works projects to receive loans from the Public Works Trust Fund. One piece of information the Board may consider is “whether the project is located in an area of high unemployment, compared to the average state unemployment.” The Board considers this information an indicator of economic distress when approving the final priority list of projects to be sent for legislative action.

The Public Works Board has adopted the definition of economic distress established by the Legislature in 1985 when it created the Development Loan Fund to assist local governments in need. To receive the economic distress designation, a jurisdiction’s project must be located within a county that has an unemployment rate that is 20 percent (20%) above the statewide average for the previous three years. The unemployment statistical data is determined annually by the Washington State Department of Employment Security. The final prioritized list of Public Works Trust Fund loan applications will reflect the most recent statistical data available.

The Public Works Board staff will automatically incorporate any changes to the following list made by the Employment Security prior to the application deadline.

The following counties (and those communities within their borders) are considered economically distressed under the Public Works Trust Fund Program:

Adams	Benton
Chelan	Clallam
Columbia	Cowlitz
Douglas	Ferry
Franklin	Grant
Grays Harbor	Jefferson
Kittitas	Klickitat
Lewis	Mason
Okanogan	Pacific
Pend Oreille	Skagit
Skamania	Stevens
Wahkiakum	Walla Walla
Yakima	

Department of Community, Trade and Economic Development  
Local Government Division, Growth Management Regional Planner Assignments  
Revised February 2004

County	Planner Name	Telephone Number	Email
Adams	Ted Gage	(360) 725-3049	Tedg@cted.wa.gov
Asotin	Dee Caputo	(360) 725-3068	Deec@cted.wa.gov
Benton	Ted Gage	(360) 725-3049	Tedg@cted.wa.gov
Chelan	Wendy Compton-Ring	(360) 725-3051	WendyCR@cted.wa.gov
Clallam	Doug Peters	(360) 725-3046	DougP@cted.wa.gov
Clark	Janet Rogerson	(360) 725-3047	JanetR@cted.wa.gov
Columbia	Dee Caputo	(360) 725-3068	Deec@cted.wa.gov
Cowlitz	Matthew Ojennus	(360) 725-3057	Mathewo@cted.wa.gov
Douglas	Wendy Compton-Ring	(360) 725-3051	WendyCR@cted.wa.gov
Ferry	David Andersen	(360) 725-3052	DavidA@cted.wa.gov
Franklin	Ted Gage	(360) 725-3049	Tedg@cted.wa.gov
Garfield	Dee Caputo	(360) 725-3068	Deec@cted.wa.gov
Grant	Dee Caputo	(360) 725-3068	Deec@cted.wa.gov
Grays Harbor	Patrick Babineau	(360) 725-3045	Patrickb@cted.wa.gov
Island	Patrick Babineau	(360) 725-3045	Patrickb@cted.wa.gov
Jefferson	Doug Peters	(360) 725-3046	DougP@cted.wa.gov
King	Ike Nwankwo	(360) 725-3056	Iken@cted.wa.gov
Kitsap	Chris Parsons	(360) 725-3058	ChrisP@cted.wa.gov
Kittitas	Wendy Compton-Ring	(360) 725-3051	WendyCR@cted.wa.gov
Klickitat	Dee Caputo	(360) 725-3068	Deec@cted.wa.gov
Lewis	Karin Berkholtz	(360) 725-3065	KarinB@cted.wa.gov
Lincoln	Dee Caputo	(360) 725-3068	Deec@cted.wa.gov
Mason	Patrick Babineau	(360) 725-3045	Patrickb@cted.wa.gov
Okanogan	Ted Gage	(360) 725-3049	Tedg@cted.wa.gov
Pacific	Patrick Babineau	(360) 725-3045	Patrickb@cted.wa.gov
Pend Oreille	Ted Gage	(360) 725-3049	Tedg@cted.wa.gov
Pierce	Ike Nwankwo	(360) 725-3056	Iken@cted.wa.gov
San Juan	Chris Parsons	(360) 725-3058	ChrisP@cted.wa.gov
Skagit	Doug Peters	(360) 725-3046	DougP@cted.wa.gov
Skamania	Karin Berkholtz	(360) 725-3065	KarinB@cted.wa.gov
Snohomish	David Andersen	(360) 725-3052	DavidA@cted.wa.gov
Spokane	Dee Caputo	(360) 725-3068	Deec@cted.wa.gov
Stevens	Ted Gage	(360) 725-3049	Tedg@cted.wa.gov
Thurston	Matthew Ojennus	(360) 725-3057	Mathewo@cted.wa.gov
Wahkiakum	Matthew Ojennus	(360) 725-3057	Mathewo@cted.wa.gov
Walla Walla	Dee Caputo	(360) 725-3068	Deec@cted.wa.gov
Whatcom	Janet Rogerson	(360) 725-3047	JanetR@cted.wa.gov
Whitman	Dee Caputo	(360) 725-3068	Deec@cted.wa.gov
Yakima	Karin Berkholtz	(360) 725-3065	KarinB@cted.wa.gov

## KEY LEGISLATION FOR PUBLIC WORKS TRUST FUND PROGRAMS

### RCW 39.36 Limitation Of Indebtedness Of Taxing Districts

#### 39.36.060 Chapter not applicable to loan agreements under chapter 39.69 RCW.

This chapter does not apply to a loan made pursuant to a loan agreement under chapter 39.69 RCW, and any computation of indebtedness under this chapter shall exclude the amount of any loan under such a loan agreement. [1987 c 19 § 5.]

### RCW 39.69 Public Loans To Municipal Corporations

#### Sections

39.69.010	"Municipal corporation" defined.
39.69.020	Loan agreements.
39.69.30.1	Application of constitutional debt limitations.
39.69.040	Chapter supplemental.

#### RCW 39.69.010 "Municipal corporation" defined.

As used in this chapter, "municipal corporation" includes counties, cities, towns, port districts, sewer districts, water districts, school districts, metropolitan park districts, or such other units of local government which are authorized to issue obligations. [1987 c 19 § 1.]

#### RCW 39.69.020 Loan agreements.

Any municipal corporation may enter into a loan agreement containing the terms and conditions of a loan from an agency of the state of Washington or the United States of America and evidencing the obligation of the municipal corporation to repay that loan under the terms and conditions set forth in the loan agreement. A loan agreement may provide that the municipal corporation will repay the loan solely from revenues set aside into a special fund for repayment of that loan. In the case of a municipal corporation authorized to borrow money payable from taxes, and authorized to levy such taxes, the loan agreement may provide that repayment of the loan is a general obligation of the municipal corporation, or both a general obligation and an obligation payable from revenues set aside into a special fund. The state or federal agency making the loan shall have such rights of recovery in the event of default in payment or other breach of the loan agreement as may be provided in the loan agreement or otherwise by law. [1987 c 19 § 2.]

#### 39.69.030

#### Application of constitutional debt limitations.

Nothing in this chapter authorizes municipal corporations to incur indebtedness beyond constitutional indebtedness limitations. [1987 c 19 § 3.]

#### RCW 39.69.040 Chapter supplemental.

The authority under this chapter is supplemental and in addition to the authority to issue obligations under any other provision of law. [1987 c 19 § 4.]

### RCW 39.80 CONTRACTS FOR ARCHITECTURAL AND ENGINEERING SERVICES

#### Sections

39.80.010	Legislative declaration
39.80.020	Definitions.
39.80.030	Agency's requirement for professional services--Advance publication.
39.80.040	Procurement of architectural and engineering services--Submission of statement of qualifications and performance data--Participation by minority and women-owned firms.
39.80.050	Procurement of architectural and engineering services--Contract negotiations.
39.80.060	Procurement of architectural and engineering services--Exception for emergency work.
39.80.070	Contracts, modifications reported to the office of financial management.
39.80.900	Savings.
39.80.910	Severability--1981 c 61.

#### RCW 39.80.010 Legislative declaration.

The legislature hereby establishes a state policy, to the extent provided in this chapter, that governmental agencies publicly announce requirements for architectural and engineering services, and negotiate contracts for architectural and engineering services on the basis of demonstrated competence and qualification for the type of professional services required and at fair and reasonable prices. [1981 c 61 § 1.]

NOTES: Effective date--1981 c 61: "This act shall take effect on January 1, 1982." [1981 c 61 § 9.]

## **RCW 39.80.020**

### **Definitions.**

Unless the context clearly requires otherwise, the definitions in this section shall apply throughout this chapter.

(1) "State agency" means any department, agency, commission, bureau, office, or any other entity or authority of the state government.

(2) "Local agency" means any city and any town, county, special district, municipal corporation, agency, port district or authority, or political subdivision of any type, or any other entity or authority of local government in corporate form or otherwise.

(3) "Special district" means a local unit of government, other than a city, town, or county, authorized by law to perform a single function or a limited number of functions, and including but not limited to, water districts, irrigation districts, fire districts, school districts, community college districts, hospital districts, sewer districts, transportation districts, and metropolitan municipal corporations organized under chapter 35.58 RCW.

(4) "Agency" means both state and local agencies and special districts as defined in subsection[s] (1), (2), and (3) of this section.

(5) "Architectural and engineering services" or "professional services" means professional services rendered by any person, other than as an employee of the agency, contracting to perform activities within the scope of the general definition of professional practice in chapters 18.08, 18.43, or 18.96 RCW.

(6) "Person" means any individual, organization, group, association, partnership, firm, joint venture, corporation, or any combination thereof.

(7) "Consultant" means any person providing professional services who is not an employee of the agency for which the services are provided.

(8) "Application" means a completed statement of qualifications together with a request to be considered for the award of one or more contracts for professional services. [1981 c 61 § 2.]

NOTES: Effective date--1981 c 61: See note following RCW 39.80.010.

## **RCW 39.80.030**

### **Agency's requirement for professional services--Advance publication.**

Each agency shall publish in advance that agency's requirement for professional services. The announcement shall state concisely the general scope and nature of the project or work for which the services are required and the address of a representative of the agency who can provide further details. An agency may comply with this section by:

(1) Publishing an announcement on each occasion when professional services provided by a consultant are required by the agency; or (2) announcing generally to the

public its projected requirements for any category or type of professional services. [1981 c 61 § 3.]

NOTES: Effective date--1981 c 61: See note following RCW 39.80.010.

## **RCW 39.80.040**

### **Procurement of architectural and engineering services--Submission of statement of qualifications and performance data--Participation by minority and women-owned firms.**

In the procurement of architectural and engineering services, the agency shall encourage firms engaged in the lawful practice of their profession to submit annually a statement of qualifications and performance data. The agency shall evaluate current statements of qualifications and performance data on file with the agency, together with those that may be submitted by other firms regarding the proposed project, and shall conduct discussions with one or more firms regarding anticipated concepts and the relative utility of alternative methods of approach for furnishing the required services and then shall select therefrom, based upon criteria established by the agency, the firm deemed to be the most highly qualified to provide the services required for the proposed project. Such agency procedures and guidelines shall include a plan to insure that minority and women-owned firms are afforded the maximum practicable opportunity to compete for and obtain public contracts for services. The level of participation by minority and women-owned firms shall be consistent with their general availability within the professional communities involved. [1981 c 61 § 4.]

NOTES: Effective date--1981 c 61: See note following RCW 39.80.010.

## **RCW 39.80.050**

### **Procurement of architectural and engineering services --Contract negotiations.**

(1) The agency shall negotiate a contract with the most qualified firm for architectural and engineering services at a price which the agency determines is fair and reasonable to the agency. In making its determination, the agency shall take into account the estimated value of the services to be rendered as well as the scope, complexity, and professional nature thereof.

(2) If the agency is unable to negotiate a satisfactory contract with the firm selected at a price the agency determines to be fair and reasonable, negotiations with that firm shall be formally terminated and the agency shall select other firms in accordance with RCW 39.80.040 and continue in accordance with this section until an agreement is reached or the process is terminated. [1981 c 61 § 5.]

NOTES: Effective date--1981 c 61: See note following RCW 39.80.010.



## **RCW 39.80.060**

### **Procurement of architectural and engineering services--Exception for emergency work.**

(1) This chapter need not be complied with by any agency when the contracting authority makes a finding in accordance with this or any other applicable law that an emergency requires the immediate execution of the work involved.

(2) Nothing in this chapter shall relieve the contracting authority from complying with applicable law limiting emergency expenditures. [1981 c 61 § 6.]

NOTES: Effective date--1981 c 61: See note following RCW 39.80.010.

## **RCW 39.80.070**

### **Contracts, modifications reported to the office of financial management.**

Contracts entered into by any state agency for architectural and engineering services, and modifications thereto, shall be reported to the office of financial management on a quarterly basis, in such form as the office of financial management prescribes. [1993 c 433 § 9.]

**RCW 39.80.900 Savings.** Nothing in this chapter shall affect the validity or effect of any contract in existence on January 1, 1982. [1981 c 61 § 7.]

NOTES: Effective date--1981 c 61: See note following RCW 39.80.010.

**RCW 39.80.910 Severability--1981 c 61.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected. [1981 c 61 § 8.]

NOTES: Effective date--1981 c 61: See note following RCW 39.80.010.

## **Chapter 43.155 RCW PUBLIC WORKS PROJECTS**

### **SECTIONS**

43.155.010 Legislative findings and policy.

43.155.020 Definitions.

43.155.030 Public works board created.

43.155.040 General powers of the board.

43.155.050 Public works assistance account.

43.155.060 Public works financing powers -- Competitive bids on projects.

43.155.065 Emergency public works projects.

43.155.068 Loans for preconstruction activities.

43.155.070 Eligibility, priority, limitations, and exceptions.

43.155.075 Loans for public works projects -- Statement of environmental benefits -- Development of outcome-focused performance measures.

43.155.080 Records and audits.

43.155.090 Loan agreements.

43.155.100 Water conservation account.

## **RCW 43.155.010**

### **Legislative findings and policy.**

The legislature finds that there exists in the state of Washington over four billion dollars worth of critical projects for the planning, acquisition, construction, repair, replacement, rehabilitation, or improvement of streets and roads, bridges, water systems, and storm and sanitary sewage systems. The December, 1983 Washington state public works report prepared by the planning and community affairs agency documented that local governments expect to be capable of financing over two billion dollars worth of the costs of those critical projects but will not be able to fund nearly half of the documented needs.

The legislature further finds that Washington's local governments have unmet financial needs for solid waste disposal, including recycling, and encourages the board to make an equitable geographic distribution of the funds.

It is the policy of the state of Washington to encourage self-reliance by local governments in meeting their public works needs and to assist in the financing of critical public works projects by making loans, financing guarantees, and technical assistance available to local governments for these projects.

[1996 c 168 § 1; 1985 c 446 § 7.]

## **RCW 43.155.020**

### **Definitions**

Unless the context clearly requires otherwise, the definitions in this section shall apply throughout this chapter.

(1) "Board" means the public works board created in RCW 43.155.030.

(2) "Capital facility plan" means a capital facility plan required by the growth management act under chapter 36.70A RCW or, for local governments not fully planning under the growth management act, a plan required by the public works board.

(3) "Department" means the department of community, trade, and economic development.

- (4) "Financing guarantees," means the pledge of money in the public works assistance account, or money to be received by the public works assistance account, to the repayment of all or a portion of the principal of or interest on obligations issued by local governments to finance public works projects.
- (5) "Local governments" means cities, towns, counties, special purpose districts, and any other municipal corporations or quasi-municipal corporations in the state excluding school districts and port districts.
- (6) "Public works project" means a project of a local government for the planning, acquisition, construction, repair, reconstruction, replacement, rehabilitation, or improvement of streets and roads, bridges, water systems, or storm and sanitary sewage systems and solid waste facilities, including recycling facilities. A planning project may include the compilation of biological, hydrological, or other data on a county, drainage basin, or region necessary to develop a base of information for a capital facility plan.
- (7) "Solid waste or recycling project" means remedial actions necessary to bring abandoned or closed landfills into compliance with regulatory requirements and the repair, restoration, and replacement of existing solid waste transfer, recycling facilities, and landfill projects limited to the opening of landfill cells that are in existing and permitted landfills.
- (8) "Technical assistance" means training and other services provided to local governments to: (a) Help such local governments plan, apply, and qualify for loans and financing guarantees from the board, and (b) help local governments improve their ability to plan for, finance, acquire, construct, repair, replace, rehabilitate, and maintain public facilities.

[2001 c 131 § 1; 1996 c 168 § 2; 1995 c 399 § 85; 1985 c 446 § 8.]

#### **RCW 43.155.030** **Public works board created**

(1) The public works board is hereby created. (2) The board shall be composed of thirteen members appointed by the governor for terms of four years, except that five members initially shall be appointed for terms of two years. The board shall include: (a) Three members, two of whom shall be elected officials and one shall be a public works manager, appointed from a list of at least six persons nominated by the association of Washington cities or its successor; (b) three members, two of whom shall be elected officials and one shall be a public works manager, appointed from a list of at least six persons nominated by the Washington state association of

counties or its successor; (c) three members appointed from a list of at least six persons nominated jointly by the Washington public utility districts association and a state association of water-sewer districts, or their successors; and (d) four members appointed from the general public. In appointing the four general public members, the governor shall endeavor to balance the geographical composition of the board and to include members with special expertise in relevant fields such as public finance, architecture and civil engineering, and public works construction. The governor shall appoint one of the general public members of the board as chair. The term of the chair shall coincide with the term of the governor.

(3) Staff support to the board shall be provided by the department.

(4) Members of the board shall receive no compensation but shall be reimbursed for travel expenses under RCW 43.03.050 and 43.03.060.

(5) If a vacancy on the board occurs by death, resignation, or otherwise, the governor shall fill the vacant position for the unexpired term. Each vacancy in a position appointed from lists provided by the associations under subsection (2) of this section shall be filled from a list of at least three persons nominated by the relevant association or associations. Any members of the board, appointive or otherwise, may be removed by the governor for cause in accordance with RCW 43.06.070 and 43.06.080.

[1999 c 153 § 58; 1985 c 446 § 9.]

#### **NOTES:**

**Part headings not law -- 1999 c 153:** See note following RCW 57.04.050.

#### **RCW 43.155.040** **General powers of the board.**

The board may:

- (1) Accept from any state or federal agency, loans or grants for the planning or financing of any public works project and enter into agreements with any such agency concerning the loans or grants;
- (2) Provide technical assistance to local governments;
- (3) Accept any gifts, grants, or loans of funds, property, or financial or other aid in any form from any other source on any terms and conditions which are not in conflict with this chapter;
- (4) Adopt rules under chapter 34.05 RCW as necessary to carry out the purposes of this chapter;
- (5) Do all acts and things necessary or convenient to carry out the powers expressly granted or implied under this chapter.

[1985 c 446 § 10.]

**RCW 43.155.050****Public works assistance account.**

The public works assistance account is hereby established in the state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated to provide for state match requirements under federal law for projects and activities conducted and financed by the board under the drinking water assistance account. Not more than fifteen percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans, emergency loans, or loans for capital facility planning under this chapter; of this amount, not more than ten percent of the biennial capital budget appropriation may be expended for emergency loans and not more than one percent of the biennial capital budget appropriation may be expended for capital facility planning loans.

[2001 c 131 § 2. Prior: 1995 2nd sp.s. c 18 § 918; 1995 c 376 § 11; 1993 sp.s. c 24 § 921; 1985 c 471 § 8.]

**NOTES:**

**Severability -- Effective date -- 1995 2nd sp.s. c 18:**

See notes following RCW 19.118.110.

**Findings -- 1995 c 376:** See note following RCW 70.116.060.

**Severability -- Effective dates -- 1993 sp.s. c 24:** See notes following RCW 28A.165.070.

**Severability -- Effective date -- 1985 c 471:** See notes following RCW 82.04.260.

**RCW 43.155.060****Public works financing powers -- Competitive bids on projects**

In order to aid the financing of public works projects, the board may:

(1) Make low-interest or interest-free loans to local governments from the public works assistance account or other funds and accounts for the purpose of assisting local governments in financing public works projects. The board may require such terms and conditions and may charge such rates of interest on its loans, as it deems necessary or convenient to carry out the purposes of this chapter. Money received from local governments in repayment of loans made under this section shall be paid into the public works assistance account for uses consistent with this chapter.

(2) Pledge money in the public works assistance account, or money to be received by the public works assistance account, to the repayment of all or a portion of the principal of or interest on obligations issued by local governments to finance public works projects. The board shall not pledge any amount greater than the sum of

money in the public works assistance account plus money to be received from the payment of the debt service on loans made from that account, nor shall the board pledge the faith and credit or the taxing power of the state or any agency or subdivision thereof to the repayment of obligations issued by any local government.

(3) Create such subaccounts in the public works assistance account as the board deems necessary to carry out the purposes of this chapter.

(4) Provide a method for the allocation of loans and financing guarantees and the provision of technical assistance under this chapter.

All local public works projects aided in whole or in part under the provisions of this chapter shall be put out for competitive bids, except for emergency public works under RCW 43.155.065 for which the recipient jurisdiction shall comply with this requirement to the extent feasible and practicable. The competitive bids called for shall be administered in the same manner as all other public works projects put out for competitive bidding by the local governmental entity aided under this chapter.

[1988 c 93 § 2; 1985 c 446 § 11.]

**RCW 43.155.065****Emergency public works projects.**

The board may make low-interest or interest-free loans to local governments for emergency public works projects. Emergency public works projects shall include the construction, repair, reconstruction, replacement, rehabilitation, or improvement of a public water system that is in violation of health and safety standards and is being operated by a local government on a temporary basis. The loans may be used to help fund all or part of an emergency public works project less any reimbursement from any of the following sources: (1) Federal disaster or emergency funds, including funds from the federal emergency management agency; (2) state disaster or emergency funds; (3) insurance settlements; or (4) litigation.

[2001 c 131 § 3; 1990 c 133 § 7; 1988 c 93 § 1.]

**NOTES:**

**Findings -- Severability -- 1990 c 133:** See notes following RCW 36.94.140.

**RCW 43.155.068****Loans for preconstruction activities.**

(1) The board may make low-interest or interest-free loans to local governments for preconstruction activities on public works projects before the legislature approves the construction phase of the project. Preconstruction activities include design, engineering, bid-document preparation, environmental studies, right of way acquisition, and other preliminary phases of public works projects as determined by the board. The purpose of the loans authorized in this section is to accelerate the completion of public works projects by allowing preconstruction activities to be performed before the

approval of the construction phase of the project by the legislature.

(2) Projects receiving loans for preconstruction activities under this section must be evaluated using the priority process and factors in \*RCW 43.155.070(2). The receipt of a loan for preconstruction activities does not ensure the receipt of a construction loan for the project under this chapter. Construction loans for projects receiving a loan for preconstruction activities under this section are subject to legislative approval under \*RCW 43.155.070 (4) and (5). The board shall adopt a single application process for local governments seeking both a loan for preconstruction activities under this section and a construction loan for the project.

[2001 c 131 § 4; 1995 c 363 § 2.]

#### NOTES:

**\*Reviser's note:** RCW 43.155.070 was amended by 1999 c 164 § 602, changing subsections (2), (4), and (5) to subsections (4), (6), and (7), respectively.

**Finding -- Purpose -- 1995 c 363:** "The legislature finds that there continues to exist a great need for capital projects to plan, acquire, design, construct, and repair local government streets, roads, bridges, water systems, and storm and sanitary sewage systems. It is the purpose of this act to accelerate the construction of these projects under the public works assistance program." [1995 c 363 § 1.]

#### RCW 43.155.070

##### Eligibility, priority, limitations, and exceptions.

(1) To qualify for loans or pledges under this chapter the board must determine that a local government meets all of the following conditions:

(a) The city or county must be imposing a tax under chapter 82.46 RCW at a rate of at least one-quarter of one percent;

(b) The local government must have developed a capital facility plan; and

(c) The local government must be using all local revenue sources which are reasonably available for funding public works, taking into consideration local employment and economic factors.

(2) Except where necessary to address a public health need or substantial environmental degradation, a county, city, or town planning under RCW 36.70A.040 must have adopted a comprehensive plan, including a capital facilities plan element, and development regulations as required by RCW 36.70A.040. This subsection does not require any county, city, or town planning under RCW 36.70A.040 to adopt a comprehensive plan or development regulations before requesting or receiving a loan or loan guarantee under this chapter if such request is made before the expiration of the time periods specified in RCW 36.70A.040. A county, city, or town planning under RCW 36.70A.040 which has not adopted a

comprehensive plan and development regulations within the time periods specified in RCW 36.70A.040 is not prohibited from receiving a loan or loan guarantee under this chapter if the comprehensive plan and development regulations are adopted as required by RCW 36.70A.040 before submitting a request for a loan or loan guarantee.

(3) In considering awarding loans for public facilities to special districts requesting funding for a proposed facility located in a county, city, or town planning under RCW 36.70A.040, the board shall consider whether the county, city, or town planning under RCW 36.70A.040 in whose planning jurisdiction the proposed facility is located has adopted a comprehensive plan and development regulations as required by RCW 36.70A.040.

(4) The board shall develop a priority process for public works projects as provided in this section. The intent of the priority process is to maximize the value of public works projects accomplished with assistance under this chapter. The board shall attempt to assure a geographical balance in assigning priorities to projects. The board shall consider at least the following factors in assigning a priority to a project:

(a) Whether the local government receiving assistance has experienced severe fiscal distress resulting from natural disaster or emergency public works needs;

(b) Whether the project is critical in nature and would affect the health and safety of a great number of citizens;

(c) The cost of the project compared to the size of the local government and amount of loan money available;

(d) The number of communities served by or funding the project;

(e) Whether the project is located in an area of high unemployment, compared to the average state unemployment;

(f) Whether the project is the acquisition, expansion, improvement, or renovation by a local government of a public water system that is in violation of health and safety standards, including the cost of extending existing service to such a system;

(g) The relative benefit of the project to the community, considering the present level of economic activity in the community and the existing local capacity to increase local economic activity in communities that have low economic growth; and

(h) Other criteria that the board considers advisable.

(5) Existing debt or financial obligations of local governments shall not be refinanced under this chapter.

Each local government applicant shall provide documentation of attempts to secure additional local or other sources of funding for each public works project for which financial assistance is sought under this chapter.

(6) Before November 1 of each year, the board shall develop and submit to the appropriate fiscal committees of the senate and house of representatives a description of the loans made under RCW 43.155.065, 43.155.068, and subsection (9) of this section during the preceding fiscal year and a prioritized list of projects which are recommended for funding by the legislature, including one copy to the staff of each of the committees. The list shall include, but not be limited to, a description of each project and recommended financing, the terms and conditions of

the loan or financial guarantee, the local government jurisdiction and unemployment rate, demonstration of the jurisdiction's critical need for the project and documentation of local funds being used to finance the public works project. The list shall also include measures of fiscal capacity for each jurisdiction recommended for financial assistance, compared to authorized limits and state averages, including local government sales taxes; real estate excise taxes; property taxes; and charges for or taxes on sewerage, water, garbage, and other utilities.

(7) The board shall not sign contracts or otherwise financially obligate funds from the public works assistance account before the legislature has appropriated funds for a specific list of public works projects. The legislature may remove projects from the list recommended by the board. The legislature shall not change the order of the priorities recommended for funding by the board.

(8) Subsection (7) of this section does not apply to loans made under RCW 43.155.065, 43.155.068, and subsection (9) of this section.

(9) Loans made for the purpose of capital facilities plans shall be exempted from subsection (7) of this section.

(10) To qualify for loans or pledges for solid waste or recycling facilities under this chapter, a city or county must demonstrate that the solid waste or recycling facility is consistent with and necessary to implement the comprehensive solid waste management plan adopted by the city or county under chapter 70.95 RCW.

[2001 c 131 § 5; 1999 c 164 § 602; 1997 c 429 § 29; 1996 c 168 § 3; 1995 c 363 § 3; 1993 c 39 § 1; 1991 sp.s. c 32 § 23; 1990 1st ex.s. c 17 § 82; 1990 c 133 § 6; 1988 c 93 § 3; 1987 c 505 § 40; 1985 c 446 § 12.]

#### **NOTES:**

**Findings -- Intent -- Part headings and subheadings not law -- Effective date -- Severability -- 1999 c 164:**

See notes following RCW 43.160.010.

**Savings -- 1999 c 164 §§ 301-303, 305, 306, and 601-603:** See note following RCW 82.60.020.

**Effective date -- 1997 c 429 §§ 29, 30:** "Sections 29 and 30 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately [May 19, 1997]." [1997 c 429 § 55.]

**Severability -- 1997 c 429:** See note following RCW 36.70A.3201.

**Finding -- Purpose -- 1995 c 363:** See note following RCW 43.155.068.

**Effective date -- 1993 c 39:** "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect July 1, 1993." [1993 c 39 § 2.]

**Section headings not law -- 1991 sp.s. c 32:** See RCW 36.70A.902.

**Intent -- 1990 1st ex.s. c 17:** See note following RCW 43.210.010.

**Severability -- Part, section headings not law -- 1990 1st ex.s. c 17:** See RCW 36.70A.900 and 36.70A.901.

**Findings -- Severability -- 1990 c 133:** See notes following RCW 36.94.140.

#### **RCW 43.155.075**

##### **Loans for public works projects -- Statement of environmental benefits -- Development of outcome-focused performance measures.**

In providing loans for public works projects, the board shall require recipients to incorporate the environmental benefits of the project into their applications, and the board shall utilize the statement of environmental benefits in its prioritization and selection process. The board shall also develop appropriate outcome-focused performance measures to be used both for management and performance assessment of the loan program. To the extent possible, the department should coordinate its performance measure system with other natural resource-related agencies as defined in RCW 43.41.270. The board shall consult with affected interest groups in implementing this section.

[2001 c 227 § 10.]

#### **NOTES:**

**Findings -- Intent -- 2001 c 227:** See note following RCW 43.41.270.

#### **RCW 43.155.080**

##### **Records and audits.**

The board shall keep proper records of accounts and shall be subject to audit by the state auditor.

[1987 c 505 § 41; 1985 c 446 § 13.]

#### **RCW 43.155.090**

##### **Loan agreements.**

Loans from the public works assistance account under this chapter shall be made by loan agreement under chapter 39.69 RCW.

[1987 c 19 § 6.]

#### **RCW 43.155.100**

##### **Water conservation account.**

The water conservation account is created in the custody of the state treasurer. All receipts from federal funding dedicated to water conservation under 16 U.S.C. Sec. 3831 shall be deposited in the account. In addition, the legislature may appropriate money to the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures. Expenditures from the account shall be used for the development and support of water conservation as defined by 16 U.S.C. Sec. 3831. Only the

public works board or its designee may make expenditures from the account.

[2002 c 329 § 11.]

#### NOTES:

**Effective date -- 2002 c 329 § 11:** "Section 11 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [April 3, 2002]." [2002 c 329 § 12.]

### **Chapter 82.46 Counties And Cities Excise Tax On Real Estate Sales**

#### **RCW 82.46.010**

**Tax on sale of real property authorized--Proceeds dedicated to local capital projects--Additional tax authorized--Maximum rates.**

(1) The legislative authority of any county or city shall identify in the adopted budget the capital projects funded in whole or in part from the proceeds of the tax authorized in this section, and shall indicate that such tax is intended to be in addition to other funds that may be reasonably available for such capital projects.

(2) The legislative authority of any county or any city may impose an excise tax on each sale of real property in the unincorporated areas of the county for the county tax and in the corporate limits of the city for the city tax at a rate not exceeding one-quarter of one percent of the selling price. The revenues from this tax shall be used by any city or county with a population of five thousand or less and any city or county that does not plan under RCW 36.70A.040 for any capital purpose identified in a capital improvements plan and local capital improvements, including those listed in RCW 35.43.040.

After April 30, 1992, revenues generated from the tax imposed under this subsection in counties over five thousand population and cities over five thousand population that are required or choose to plan under RCW 36.70A.040 shall be used solely for financing capital projects specified in a capital facilities plan element of a comprehensive plan and housing relocation assistance under RCW 59.18.440 and 59.18.450. However, revenues (a) pledged by such counties and cities to debt retirement prior to April 30, 1992, may continue to be used for that purpose until the original debt for which the revenues were pledged is retired, or (b) committed prior to April 30, 1992, by such counties or cities to a project may continue to be used for that purpose until the project is completed.

(3) In lieu of imposing the tax authorized in RCW 82.14.030(2), the legislative authority of any county or any city may impose an additional excise tax on each sale of real property in the unincorporated areas of the county for the county tax and in the corporate limits of the city for the

city tax at a rate not exceeding one-half of one percent of the selling price.

(4) Taxes imposed under this section shall be collected from persons who are taxable by the state under chapter 82.45 RCW upon the occurrence of any taxable event within the unincorporated areas of the county or within the corporate limits of the city, as the case may be.

(5) Taxes imposed under this section shall comply with all applicable rules, regulations, laws, and court decisions regarding real estate excise taxes as imposed by the state under chapter 82.45 RCW.

(6) As used in this section, "city" means any city or town and "capital project" means those public works projects of a local government for planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvement of streets; roads; highways; sidewalks; street and road lighting systems; traffic signals; bridges; domestic water systems; storm and sanitary sewer systems; parks; recreational facilities; law enforcement facilities; fire protection facilities; trails; libraries; administrative and/or judicial facilities; river and/or waterway flood control projects by those jurisdictions that, prior to June 11, 1992, have expended funds derived from the tax authorized by this section for such purposes; and, until December 31, 1995, housing projects for those jurisdictions that, prior to June 11, 1992, have expended or committed to expend funds derived from the tax authorized by this section or the tax authorized by RCW 82.46.035 for such purposes. [1994 c 272 § 1; 1992 c 221 § 1; 1990 1st ex.s. c 17 § 36; 1982 1st ex.s. c 49 § 11.]

NOTES: Legislative declaration--1994 c 272: "The legislature declares that, in section 13, chapter 49, Laws of 1982 1st ex. sess., effective July 1, 1982, its original intent in limiting the use of the proceeds of the tax authorized in RCW 82.46.010(2) to "local capital improvements" was to include in such expenditures the acquisition of real and personal property associated with such local capital improvements. Any such expenditures made by cities, towns, and counties on or after July 1, 1982, are hereby declared to be authorized and valid." [1994 c 272 § 2.]

Expenditures prior to June 11, 1992: "All expenditures of revenues collected under RCW 82.46.010 made prior to June 11, 1992, are deemed to be in compliance with RCW 82.46.010." [1992 c 221 §

Severability--Part, section headings not law--1990 1st ex.s. c 17: See RCW 36.70A.900 and 36.70A.901.

Intent--Construction--Effective date--Fire district funding--1982 1st ex.s. c 49: See notes following RCW 35.21.710.

## Chapter 399-10 WAC GENERAL PROVISIONS

**Last Update: 4/6/01**

### WAC SECTIONS

399-10-010 Organization and operation of the public works board.

399-10-020 Board meetings.

399-10-030 Communications with the board.

**WAC 399-10-010 Organization and operation of the public works board.** (1) The public works board is a thirteen-member board appointed by the governor under RCW 43.155.030.

(2) The governor appoints one of the general public members as chair. The board may elect other officers for terms deemed necessary.

(3) The department of community, trade, and economic development provides staff support and office space to the board at P.O. Box 48319, Olympia, Washington 98504-8319; phone (360) 725-5000.

[Statutory Authority: RCW 43.155.040(5). 01-09-014, § 3 99-10-010, filed 4/6/01, effective 5/7/01. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-10-010, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 95-11-093, § 3 99-10-010, filed 5/19/95, effective 6/19/95; 93-22-014, § 3 99-10-010, filed 10/26/93, effective 11/26/93. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-10-010, filed 12/4/85.]

**WAC 399-10-020 Board meetings.** (1) The board holds regular meetings on the first Tuesday of each month. In the month of August meetings are held on the first and third Tuesdays.

(2) Notice of the times and places of the regular meetings will be published annually in a January edition of the Washington State Register. A copy of the schedule of regular meetings may also be obtained upon request from the board.

(3) Special meetings of the board may be called at any time by the chair of the board or by a majority of the board members. Notice of such meetings will be as provided by law.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-10-020, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 93-22-014, § 3 99-10-020, filed 10/26/93, effective 11/26/93. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-10-020, filed 12/4/85.]

**WAC 399-10-030 Communications with the board.** Any and all written communications with the board, including but not limited to requests for information or copies of agency records, or submittals of any nature, must be addressed to the public works board, in care of

the chair, as stated in WAC 399-10-010(3). The board's telephone number and Internet address are listed in the same section.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-10-030, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 93-22-014, § 3 99-10-030, filed 10/26/93, effective 11/26/93. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-10-030, filed 12/4/85.]

## Chapter 399-20 WAC PUBLIC RECORDS

**Last Update: 11/19/98**

### WAC SECTIONS

399-20-010 Purpose.

399-20-020 Definitions.

399-20-030 Public records available.

399-20-040 Public records officer.

399-20-050 Records index.

399-20-060 Office hours.

399-20-070 Requests for public records.

399-20-080 Copying.

399-20-090 Exemptions.

399-20-100 Review of denials of public records requests.

399-20-110 Protection of public records.

399-20-120 Adoption of form.

**WAC 399-20-010 Purpose.** This chapter is intended to ensure that the board complies with chapter 42.17 RCW, the Public Disclosure Act, especially RCW 42.17.250 through 42.17.348, which address disclosure of public records.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-20-010, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-20-010, filed 12/4/85.]

**WAC 399-20-020 Definitions.** The following definitions shall apply to this chapter:

(1) "Public record" includes any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by the board regardless of physical form or characteristics.

(2) "Writing" means handwriting, typewriting, printing, photo stating and every other means of recording any form of communication or representation, including letters, words, pictures, sounds, symbols, or combinations thereof, and all paper, maps, magnetic or paper tapes, photographic films and prints, magnetic or punched cards,

discs, drums and other documents.

(3) "Board" means the public works board, created in chapter 43.155 RCW, and also refers to the board's officers and staff, where appropriate.

(4) "Department" means the department of community, trade, and economic development, and shall refer to the department's staff, where appropriate.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-20-020, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 95-11-093, § 3 99-20-020, filed 5/19/95, effective 6/19/95. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-20-020, filed 12/4/85.]

**WAC 399-20-030 Public records available.** All public records of the board are deemed to be available for public inspection and copying, except as otherwise provided by RCW 42.17.260 and 42.17.310 as now or hereafter amended, and by WAC 399-20-090.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-20-030, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-20-030, filed 12/4/85.]

**WAC 399-20-040 Public records officer.** The board shall designate a staff member to be the public records officer. The public records officer shall be responsible for implementation of the board's rules and regulations regarding inspection and copying of public records, and for ensuring compliance by the staff with the public records disclosure requirements of chapter 42.17 RCW.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-20-040, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-20-040, filed 12/4/85.]

**WAC 399-20-050 Records index.** (1) The board will make available to any person upon request a current index which provides identifying information as to the following records:

(a) Those statements of policy and interpretations of policy, statutes and regulations which have been adopted by the board;

(b) Administrative staff manuals and instructions to staff that affect a member of the public;

(c) Planning policies and goals, and interim and final planning decisions;

(d) Factual staff reports and studies, factual consultant's reports and studies, specific reports and studies and any other factual information derived from tests, studies, reports or surveys, whether conducted by public employees or others; and

(e) Correspondence and materials relating to any responsibilities of the board.

(2) The current index promulgated by the board shall

be available to all persons under the same rules and on the same conditions as are applied to the public records available for inspection and copying.

[Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-20-050, filed 12/4/85.]

**WAC 399-20-060 Office hours.** Public records are available for inspection and copying during the department's normal office hours, which are 8:00 a.m. to noon and from 1:00 p.m. to 5:00 p.m., Monday through Friday, excluding legal holidays, or closure due to natural disaster, inclement weather, or local emergency.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-20-060, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-20-060, filed 12/4/85.]

**WAC 399-20-070 Requests for public records.** The Public Disclosure Act, chapter 42.17 RCW, requires agencies to prevent unreasonable invasions of privacy, to protect public records from damage or disorganization, and to prevent excessive interference with essential functions of the board. Therefore, members of the public may inspect, copy, or obtain copies of public records if they comply with the following procedures:

(1) A request must be made in writing on the form adopted by the board which shall be in WAC 399-20-120. The form is available at the board's offices, or by writing or calling the board.

(2) The form must be completed in full and presented or mailed to the public records officer at the board's offices during normal office hours.

(3) The public records officer will assist the member of the public in appropriately identifying the public record requested.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-20-070, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-20-070, filed 12/4/85.]

**WAC 399-20-080 Copying.** No fee is charged for the inspection of public records. The board may charge a fee of fifteen cents per page for providing copies of public records, when copies of more than ten pages are provided, and for use of the department's copy equipment.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-20-080, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-20-080, filed 12/4/85.]

**WAC 399-20-090 Exemptions.** (1) The public records officer will determine whether a requested record is exempt from disclosure under chapter 42.17 RCW.

(2) If a requested record is determined to be exempt in part, the public records officer will delete the exempt portions of the record before making it available for



inspection or copying. The public records officer will fully justify any deletion in writing.

(3) Whenever the public records officer denies a public records request, a written statement specifying the reason for the denial shall be provided.

(4) The Public Disclosure Act requires agencies to respond promptly to requests for public records. Within five business days after receiving a public records request, the public records officer must respond by either:

(a) Providing the record;

(b) Acknowledging the request and stating a reasonable estimate of the time the board will need to respond; or

(c) Denying the request.

The board may require additional time to respond for reasons consistent with RCW 42.17.320.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-20-090, filed 11/19/98, effective 12/20/98.

Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-20-090, filed 12/4/85.]

**WAC 399-20-100 Review of denials of public records requests.** Agencies are required to establish a mechanism for the prompt review of decisions denying the inspection or copying of public records. In any case where a public record is denied in whole or in part the chair, or designee, shall immediately review the matter and either affirm or reverse the denial. The review is deemed complete at the end of the second business day following the denial of inspection or copying and constitutes final agency action for purposes of judicial review.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-20-100, filed 11/19/98, effective 12/20/98.

Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-20-100, filed 12/4/85.]

**WAC 399-20-110 Protection of public records.** To protect the board's public records any person inspecting or copying the records must comply with the following requirements:

(1) Public records may not be removed from the board's offices;

(2) Persons inspecting public records must do so in the presence of a designated board or department employee;

(3) Persons inspecting or copying public records must not mark or deface them in any manner;

(4) Public records maintained in a file jacket, or in chronological order must not be dismantled except for the purposes of copying and then only by a designated board or department employee;

(5) Only board or department employees will have access to file cabinets, shelves, vaults, or other storage areas.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-20-110, filed 11/19/98, effective 12/20/98.

Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-20-110, filed 12/4/85.]

**WAC 399-20-120 Adoption of form.** The board hereby adopts for use by all persons requesting inspection or copying of its records, the form set out below, entitled "request for public records."

In order to request copies of our public records, please complete the attached form and return it with the proper payment to the address below. We will forward to you those requested copies which are not exempt from disclosure when we receive this form. Thank you.

**REQUEST FOR  
PUBLIC RECORDS**

Public Works Board

PO Box 48319

Olympia, WA 98504-8319

(360) 753-2200

NAME OF REQUESTOR: PHONE:

STREET ADDRESS:

CITY: STATE: ZIP:

DATE OF REQUEST TIME: A.M.  
(M/D/Y):

P.M.

PUBLIC RECORDS OR INFORMATION REQUESTED:

Completed by Public  
Works  
Board Staff

NUMBER OF  
COPIES, IF  
REQUESTED:

NUMBER OF COPIES  
PROVIDED:

APPOINTMENT TO  
VIEW RECORDS:

AMOUNT  
RECEIVED  
FOR  
COPIES: \$

(Preferred Dates)

(1st)  
DATE: TIME: APPOINTMENT CONFIRMED:

(2nd)  
DATE: TIME:

(3rd)  
DATE: TIME: DATE: TIME: STAFF:

IF SPECIAL EQUIPMENT REQUIRED FOR VIEWING  
RECORDS, PLEASE DESCRIBE:

AGREEMENTS: I have read, understand, and will comply with the rules of the public works board governing the inspection and copying of public records. I also agree that any list of individuals and/or information provided me by the board shall not be used for any commercial purpose by myself or by any organizations I represent. I will protect the list of individuals and/or information from access by anyone who may use it for the purposes of contacting the individuals named therein or otherwise personally affecting them in furtherance of any profit-seeking activity.

SIGNATURE OF  
REQUESTOR:

DATE:

ACKNOWLEDGEMENT OF RECEIPT

DATE:

TIME: A.M.

P.M.

SIGNATURE OF STAFF RECIPIENT:

REASON IF AGENCY IS UNABLE TO COMPLY:

WAC 399-20-120 (11/85)

(FOR BOARD USE ONLY)

Number of copies . . . .

Number of pages . . . .

Per page charge \$ .15  
for in excess of  
ten pages

Total \$ . . . .  
charge

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-20-120, filed 11/19/98, effective 12/20/98.  
Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-20-120, filed 12/4/85.]

## Chapter 399-30 WAC PUBLIC WORKS LOANS AND PLEDGES

Last Update: 4/6/01

### WAC SECTIONS

399-30-010 Purpose.

399-30-020 Definitions.

399-30-030 Loan and financing guarantee applications.

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**WAC 399-30-010 Purpose.** (1) The public works board makes low-interest or interest-free loans to local governments from the public works assistance account or other sources to assist local governments in financing public works projects. The board may also pledge money to the repayment of all or a portion of the principal or interest on obligations issued by local governments to finance public works projects.

(2) The purpose of this chapter is to describe how local governments may apply to the board for financial assistance, and to provide for the review of the applications.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-30-010, filed 11/19/98, effective 12/20/98.  
Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-30-010, filed 12/4/85.]

**WAC 399-30-020 Definitions.** Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Board" means the public works board.

(2) "Department" means the department of community, trade, and economic development.

(3) "Financing guarantees" means the pledge of money in the public works assistance account, or money to be received by the public works assistance account, to the repayment of all or a portion of the principal of or interest on obligations issued by local governments to finance public works projects.

(4) "Local governments" means cities, towns, counties, special purpose districts, and any other municipal corporations or quasi-municipal corporations in the state excluding school districts and port districts.

(5) "Public works project" means a project of a local government for the planning, acquisition, construction, repair, reconstruction, replacement, rehabilitation, or improvement of bridges, roads, domestic water systems, sanitary sewer systems, storm sewer systems, and solid waste/recycling systems.

(6) "Emergency public works project" means a public works project made necessary by a natural disaster, or an

immediate and emergent threat to the public health and safety due to unforeseen or unavoidable circumstances.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-30-020, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040. 89-10-041 (Order 89-01), § 3 99-30-020, filed 4/28/89. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-30-020, filed 12/4/85.]

**WAC 399-30-030 Loan and financing guarantee applications.**

(1) Any local government in the state of Washington may apply for a loan or financing guarantee to assist in financing critical public works projects.

(2) All applicants must meet the following conditions:

(a) Applicant cities and counties must be imposing a real estate excise tax under RCW 82.46.010(2) at a rate of at least one-quarter of one percent;

(b) Applicant local governments must have developed a long-term plan for financing public works needs as further described in the loan application package under "capital facilities planning."

(3) Direct costs eligible for public works loans are those costs directly attributable to a specific project and include:

(a) Work done by employees of the applicant, or by other government employees under an inter-local agreement or contract limited to: Engineering, environmental review, design activities, acquisition of rights of way or property, construction inspection activities, roadway seal coating (if bids from private sector contractors have been solicited and compared with the inter-local agreement proposal), and the cleaning, sterilization, or bacteriological testing of water system components prior to public use.

(i) Salaries and wages (at actual or average rates) covering productive labor hours of the local government employees (excluding the administrative organization of the operating unit involved). The cost of services rendered by employees generally classified as administrative are considered a direct cost only when such employees are assigned for short periods of time to perform on a full-time basis the types of services described above and when similar procedures are followed;

(ii) Employee benefits relating to direct labor are considered a direct cost of construction projects. The following items may be included as employee benefits:

(A) F.I.C.A. (Social Security) - employer's share;

(B) Retirement benefits;

(C) Hospital, health, dental, and other welfare insurance;

(D) Life insurance;

(E) Industrial and medical insurance;

(F) Vacation;

(G) Holiday;

(H) Sick leave; and

(I) Military leave and jury duty.

Employee benefits must be calculated as a percentage of direct labor dollars. The computation of predetermined percentage rates to be applied to current labor costs must be based on the average of total employee benefits and

total labor costs for the prior fiscal year and adjusted by known current year variations.

(b) Contract engineering, planning, legal, and financial planning services. The board reserves the right to declare ineligible legal costs that are unreasonable and disproportionate to the project.

(c) Right-of-way acquisition costs including:

(i) Purchase of land and easements acquired for and devoted to the project;

(ii) Purchase of improvements;

(iii) Adjustment or reestablishment of improvements;

(iv) Salaries, expenses or fees of appraisers, negotiators or attorneys;

(v) Removal or demolition of improvement;

(vi) Other direct costs in connection with the acquisition. Amounts received from the sale of excess real property or improvements and from any rentals will be reduced from the direct cost.

(d) Contract construction work.

(e) Direct vehicle and equipment charges at the actual rental cost paid for the equipment or, in the case of city or county-owned equipment, at the rental rates established by the local government's "equipment rental and revolving fund" following the methods prescribed by the division of municipal corporations. However, such costs must be charged on a uniform basis to equipment used for all projects regardless of the source of funding. Cities with a population of eight thousand or less not using type of fund are allowed the same rates as used by the department of transportation.

(f) Direct materials and supplies.

(i) An overhead rate or "loading factor" is not considered an appropriate additive to the actual cost of materials and supplies used on construction projects unless the factor is readily and properly supportable by the governmental unit's accounting records.

(ii) The cost, or reasonable estimate thereof, of materials paid for as contract estimate items, but not used, will be considered a reduction of direct costs. Any material that is salvaged in connection with a project will be assigned a reasonable value and considered a reduction of direct costs.

(iii) Wetland plants and other materials used for wetland planting, wildlife habitat, or fish habitat may be provided to a public or nonprofit organization without a reduction of direct costs.

(g) Interdepartmental charges for work performed by the local government for the benefit of specific construction projects is limited to direct costs plus an allocation of indirect costs based on ten percent of direct labor dollars, excluding employee benefits.

(h) Other direct costs incurred for materials or services acquired for a specific project are eligible for participation by public works loan funds and may include, but are not limited to such items as:

(i) Public communication plans and activities;

(ii) Telephone charges;

(iii) Reproduction and photogrammetry costs;

(iv) Video and photography for project documentation;

(v) Computer usage;

(vi) Printing and advertising; and

(vii) Value engineering and performance audits.

(4) Other than work identified in subsection (3)(a) of this section, no government employee labor related costs, including force account work, are eligible for financing assistance or to be considered as local match under this chapter.

(5) Applications must be submitted in writing, on forms provided by the board for the current funding cycle.

(6) A responsible official of the applicant jurisdiction must sign and verify each application for financial assistance. The official must also provide the board with additional materials or information in support of the application when requested by the board or its staff.

[Statutory Authority: RCW 43.155.040(5). 01-09-014, § 3 99-30-030, filed 4/6/01, effective 5/7/01. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-30-030, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 92-03-052, § 3 99-30-030, filed 1/13/92, effective 2/13/92. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-30-030, filed 12/4/85.]

**WAC 399-30-032 What are the requirements for meeting the Growth Management Act under RCW 43.155.070 (1)(d)?**

(1) "Compliance with the Growth Management Act" means that at the time of application for financial assistance:

(a) A local government that is required to or chooses to plan under RCW 36.70A.040 has adopted a comprehensive plan and development regulations in conformance with the requirements of chapter 36.70A RCW, after it is required that the comprehensive plan and development regulations be adopted; and

(b) The local government has not been found out of compliance by a growth management hearings board; or

(c) A growth management hearings board has found a local government in compliance with the requirements of chapter 36.70A RCW, after previously finding the local government was not in compliance.

(2) Exceptions based on "public health need" or "substantial environmental degradation" shall not be used as a method to provide unrestricted access to financial assistance for local governments not in compliance with the law.

[Statutory Authority: RCW 43.155.040(4). 99-09-020, § 3 99-30-032, filed 4/14/99, effective 5/15/99.]

**WAC 399-30-033 How will the board address a "public health need" under RCW 43.155.070**

(1)(d)? "Public health need" means that a situation exists that causes or is about to cause a real, documented, acute public health need related to the state's air, water, or soil that contributes to injuries or deaths on public highways, or risk of a public health emergency due to contaminated domestic water, the failure of a sanitary sewer system, storm sewer system, or solid waste or recycling system; and the problem generally involves a

discrete area including, but not limited to, a county, city, subdivision, or an area serviced by on-site wastewater disposal systems.

In determining whether a project is necessary to address a public health need, the board shall consider the following factors:

(1) For bridge or road projects - whether injury or fatal injury motor or nonmotorized vehicle traffic collisions at a specific site, roadway control section, or area have occurred at a rate to be in the top five percent of all such collisions within the applicant jurisdiction for the most recent three-year period; and whether the proposed public works project will eliminate or reduce the likelihood of such vehicle collisions. Applicants applying under this subsection may utilize jurisdiction-wide accident data, or break the data down into arterial or nonarterial roads, intersection or non-intersection, and for intersections, whether they are signalized or non-signalized.

(2) For domestic water projects - whether a drinking water system regulated by the department of health has been contaminated or is in imminent danger of being contaminated to the extent of creating a public health risk and; whether the proposed public works project will eliminate or reduce the chance of contamination.

(3) For sanitary sewer projects - whether failure of existing wastewater system or systems, including on-site systems, has resulted in contamination being present on the surface of the ground in such quantities and locations so as to create a potential for public contact; or whether contamination of a commercial or recreational shellfish bed so as to create a public health risk associated with the consumption of the shellfish, or contamination of surface water so as to create a public health risk associated with recreational use; and whether the proposed public works project will eliminate or reduce the danger of such public health risk.

(4) For storm sewer projects - whether failure of an existing storm sewer system has caused or is in imminent danger of causing localized flooding which disrupts critical public services; causes disease, illness, or attraction of rodents so as to create a public health risk; or contamination of a commercial or recreational shellfish bed so as to create a public health risk associated with the consumption of the shellfish, or contamination of surface water so as to create a public health risk associated with recreational use and; whether the proposed public works project will eliminate or reduce the danger of localized flooding which disrupts critical public services or causes a public health risk.

(5) For solid waste or recycling projects - whether failure of an existing solid waste or recycling system has caused or is in danger of causing ground water contamination; causes disease, illness, or attraction of rodents so as to create a public health risk and; whether the proposed public works project will eliminate or reduce the danger of such public health risk.

(6) For all projects - whether more efficient operation of an existing system, changing public access, or modifying other regulatory standards (e.g., reduced speed limits, water conservation measures, rodent control, restricted shellfish harvesting) is likely to provide the same or similar

level of resolution.

(7) For all projects - whether the public health problem is caused by failure to maintain or periodically replace, reconstruct, or rehabilitate a public works system.

(8) For all projects - other factors the board finds on the record are significant in light of facts and circumstances unique to the project.

(9) The factors enumerated in subsection (1) of this section must be addressed in a letter of request, with supporting documentation, addressed to the chair of the board and signed by the public official who signed the application for financial assistance.

(10) The factors enumerated in subsections (2) through (5) of this section must be addressed in a letter of request, with supporting documentation, addressed to the secretary of the Washington state department of health and signed by the public official who signed the application for financial assistance. A determination of a public health need may be made by the secretary, or designee, and addressed to the same public official. The board will consider the determination of the secretary. The board will also consider information presented on factors enumerated in subsections (6) through (8) of this section, which must be documented in a manner acceptable to the board.

[Statutory Authority: RCW 43.155.040(4). 99-09-020, § 3 99-30-033, filed 4/14/99, effective 5/15/99.]

**WAC 399-30-034 How will the board address "substantial environmental degradation" as found in RCW 43.155.070 (1)(d)?** "Substantial environmental degradation" means a situation causes or is about to cause real, documented, substantial environmental degradation that contributes to violations of the state's air quality, water quality, or soil contaminate standards, interferes with beneficial uses of the air, water, or land, and the problem generally involves a discrete area including, but not limited to, a county, city, subdivision, or an area serviced by on-site wastewater disposal systems.

In determining whether a project is necessary to address substantial environmental degradation, the board shall consider the following factors:

(1) For bridge and road projects - whether motorized or non motorized vehicle traffic has caused substantial environmental degradation of the air, water, or soils of the state at the site for which a proposed public works project is the subject of a financial assistance application, and; whether the proposed public works project will eliminate or reduce the chance of such vehicle-caused critical substantial environmental degradation.

(2) For domestic water projects - whether a drinking water system regulated by the department of health has caused substantial environmental degradation of the air, water, or soil of the state including, but not limited to: Causing disease or illness to humans, the attraction of rodents, or the killing of fish and shellfish that reside in the waters of the state, and; whether the proposed public works project will eliminate or reduce the chance of substantial environmental degradation.

(3) For sanitary sewer projects - whether failure of an existing wastewater system, including individual on-site systems, has caused substantial environmental degradation of the air, water, or soil of the state including, but not limited to: Causing disease or illness to humans, the attraction of rodents, or the killing of fish and shellfish that reside in the waters of the state, and; whether the proposed public works project will eliminate or reduce such substantial environmental degradation.

(4) For storm sewer systems - whether of an existing storm sewer system has caused substantial environmental degradation of the air, water, or soil of the state including, but not limited to: Causing disease or illness to humans, the attraction of rodents, or the killing of fish and shellfish that reside in the waters of the state, and; whether the proposed public works project will eliminate or reduce such substantial environmental degradation.

(5) For solid waste or recycling projects - whether failure of an existing solid waste system or recycling system has caused substantial environmental degradation of the air, water, or soil of the state including, but not limited to: Causing disease or illness to humans, the attraction of rodents, or the killing of fish and shellfish that reside in the waters of the state, and; whether the proposed public works project will eliminate or reduce such substantial environmental degradation.

(6) For all projects - whether more efficient operation of an existing system, changing public access, or modifying other regulatory standards (e.g., reduced speed limits, water conservation measures, rodent control, restricted shellfish harvesting) is likely to provide the same or similar level of resolution.

(7) For all projects - whether the substantial environmental degradation is caused by failure to maintain or periodically replace, reconstruct, or rehabilitate a public works system.

(8) For all projects - other factors the board finds on the record are significant in light of facts and circumstances unique to the project. Fish passage, water quality, or water quantity issues directly impacting salmonid fish survival in a watershed which is designated as a candidate for listing, proposed for listing, threatened listing, or endangered listing under the federal Endangered Species Act may be considered significant and unique to a project.

(9) The factors enumerated in subsections (1) through (5) of this section must be addressed in a letter of request, with supporting documentation, to the director of the Washington state department of ecology and signed by the public official who signed the application for financial assistance. A determination of substantial environmental degradation may be made by the director or designee and addressed to the same public official. The board will consider the determination of the director. The board will also consider information presented on factors enumerated in subsections (6) through (8) of this section, which must be documented in a manner acceptable to the board.

[Statutory Authority: RCW 43.155.040(4). 99-09-020, § 3 99-30-034, filed 4/14/99, effective 5/15/99.]

**WAC 399-30-040 Application evaluation procedure and board deliberations.** (1) The board will consider and prioritize, or disapprove, all applications for loans or financing guarantees at regular or special meetings of the board. The applicant will be notified of meetings at which its application will be considered.

(2) Applications will be evaluated and prioritized in accordance with the following procedures:

(a) Staff will log in all applications as received.

(b) Staff will review all applications for compliance with the minimum qualification requirements of WAC 399-30-030(2). Jurisdictions whose applications do not meet the minimum qualification requirements will be notified in writing of the disqualification.

(c) Staff will perform an evaluation of all applications which meet the requirements of WAC 399-30-030(2). Applications will be scored according to the number of points awarded for responses provided in the statements of local management efforts and project need.

(i) Not less than sixty points, of a one hundred-point total, will be assigned to responses to questions identified in the application as relating to local management effort.

(ii) The remaining forty points will be assigned to responses to questions identified in the application as relating to project need.

(d) Staff will provide the board with evaluation and scoring of the applications. All application materials will be available to the board for their deliberations. The board will approve a ranked list of projects based on the information provided to them by the staff and the applications.

(e) The board may adjust the ranked list in consideration of the following factors:

(i) Geographical balance;

(ii) Economic distress;

(iii) Type of projects;

(iv) Type of jurisdiction;

(v) Past management practices of the applicant, including, but not limited to, late loan payments, loan defaults, audit findings, or inability to complete projects within the time allowed by loan agreement;

(vi) Other criteria that the board considers advisable.

(f) Staff will verify critical information on each project as required by the board.

(g) In order to ensure fairness to all jurisdictions with applications pending before the board, the board will not accept oral or written testimony from any applicant while deliberating loan priorities, other than specific responses to information requests initiated by the board as provided in (h) of this subsection.

(h) The board may consult with officials of jurisdictions having projects submitted for funding on any issue it wishes to address.

(3) Applicants will be notified in writing of board decisions.

[Statutory Authority: RCW 43.155.040(5). 01-09-014, § 3 99-30-040, filed 4/6/01, effective 5/7/01. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-30-040, filed 11/19/98, effective 12/20/98. Statutory

Authority: RCW 43.155.040(4). 95-11-093, § 3 99-30-040, filed 5/19/95, effective 6/19/95; 93-22-015, § 3 99-30-040, filed 10/26/93, effective 11/26/93; 92-03-052, § 3 99-30-040, filed 1/13/92, effective 2/13/92. Statutory Authority: RCW 43.155.040. 88-10-009 (Order 88-02), § 3 99-30-040, filed 4/22/88; 87-17-013 (Order 87-16), § 3 99-30-040, filed 8/10/87; 86-18-009 (Resolution No. 86-12), § 3 99-30-040, filed 8/21/86. Statutory Authority: 1985 c 446 § 10. 86-03-051 (Resolution No. 85-17), § 3 99-30-040, filed 1/15/86.]

**WAC 399-30-042 Application evaluation procedure and board deliberations -- Capital planning support.**

(1) The board will consider and approve, or disapprove, all applications for capital planning support loans at regular or special meetings of the board. The applicant will be notified of meetings at which its application will be considered.

(2) All applications will be evaluated in accordance with the following procedures:

(a) Staff will log in all applications as received.

(b) Staff will review all applications for compliance with the minimum qualification requirements of WAC 399-30-030(2). Jurisdictions whose applications do not meet the minimum requirements will be notified in writing of the disqualification.

(c) Staff will perform an evaluation of applications which meet the requirements of WAC 399-30-030(2) to determine if the application is consistent with the policies contained in the capital planning support loan application.

(d) Those applications found to be consistent with board policies may be recommended to the board for funding. All application materials will be available to the board for its deliberations. The board will approve a list of projects based on the information provided to it by the staff and the applications.

(e) The board may then adjust the list in consideration of the following factors:

(i) Geographical balance;

(ii) Economic distress;

(iii) Past management practices of the applicant, including, but not limited to, late loan payments, loan defaults, audit findings, or inability to complete projects within the time allowed by loan agreement;

(iv) Other criteria that the board considers advisable.

(f) Staff will verify critical information on each project as required by the board.

(g) The board may consult on any issue it wishes to address, with officials of jurisdictions having projects submitted for funding.

(3) Applicants will be notified in writing of board decisions.

[Statutory Authority: RCW 43.155.040(5). 01-09-014, § 3 99-30-042, filed 4/6/01, effective 5/7/01. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-30-042, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 92-03-052, § 3 99-30-042, filed 1/13/92, effective 2/13/92. Statutory Authority: RCW

**WAC 399-30-045 Emergency loan program.** This section implements RCW 43.155.060 and 43.155.065. The board may make low-interest or interest free loans to local governments for emergency public works projects. The emergency loan program is to financially assist eligible communities experiencing the loss of critical public works services or facilities due to an emergency, and that can demonstrate a substantial fiscal need.

(1) Eligible local governments. Applicants must meet the conditions as identified under WAC 399-30-030(2).

(2) Eligible uses of funds. Financial assistance received shall be used for the purpose of restoring the services and/or repair of the public works facilities involved in the emergency. Assistance provided may be used to help fund all or part of an emergency public works project less any reimbursement from any of the following:

- (a) Federal disaster or emergency funds, including funds from the Federal Emergency Management Agency;
- (b) State disaster or emergency funds;
- (c) Insurance settlements; or
- (d) Litigation.

Assisted local governments must reimburse the department any moneys received from the sources listed above. The local government is obligated to make reimbursement for four years after formal project closeout. Local governments eligible to receive moneys must use their best efforts to seek reimbursement in a timely manner.

(3) Availability of funds. Funding will be made available on a first-come first-served basis. Only those funds specifically appropriated by the legislature from the public works assistance account shall be used to make emergency loans. That amount shall not exceed five percent of the total amount appropriated from this account in any biennium.

(4) Application process. Local governments must apply on the form provided by the board. Applications will be processed in the order received.

(5) Board deliberations -- Emergency loan applications.

(a) The board will consider and approve or disapprove all eligible applications for emergency financial assistance at regular or special meetings of the board. The applicant will be notified of meetings at which its application will be considered.

(b) All applications will be accepted, evaluated, and prioritized in accordance with the following procedures:

(i) Applications will be accepted only when emergency funding is available.

(ii) Staff will review applications and verify that the applicant is eligible for assistance as set forth in RCW 43.155.070(1).

(iii) Staff will provide the board an evaluation of whether an emergency loan is needed based upon the information documented by the applicant and staff.

(iv) Site visits to the location of the emergency public works project will be carried out at the discretion of the

board or staff.

(6) Loan terms. The board shall determine the term and interest rate(s) of emergency loans annually.

(7) Exceptions to public works trust fund policies and procedures. Except as provided in this chapter or specified in annual program guidelines, the emergency program shall follow all general administrative program policies as set for the public works trust fund.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-30-045, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 92-03-052, § 3 99-30-045, filed 1/13/92, effective 2/13/92. Statutory Authority: RCW 43.155.040. 89-10-041 (Order 89-01), § 3 99-30-045, filed 4/28/89.]

**WAC 399-30-050 Recommendations to the legislature.**

(1) Prior to November 1, 1986, and in each subsequent year, the board will develop and submit to the appropriate fiscal committees of the senate and house of representatives a prioritized list of projects, which the board recommends for funding by the legislature.

(2) In addition to the requirements of RCW 43.155.070(4), the list will include such supporting material as the board considers necessary to meet the purposes of this chapter.

(3) Before November 1 of each year, the board will develop and submit to the chairs of the appropriate fiscal committees of the senate and house of representatives a description of the emergency loans made under this program.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-30-050, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 92-03-052, § 3 99-30-050, filed 1/13/92, effective 2/13/92. Statutory Authority: RCW 43.155.040. 89-10-041 (Order 89-01), § 3 99-30-050, filed 4/28/89. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-30-050, filed 12/4/85.]

**WAC 399-30-060 Loan and financing guarantee contracts.**

(1) The board will only execute loan agreements or otherwise financially obligate funds from the public works assistance account after the legislature approves the list and accompanying appropriation.

(2) After the legislature has appropriated funds from the public works assistance account for a specific list of public works projects, the loan funds will be disbursed to the applicant local government through a contract. The contract will offer terms and conditions as the board determines are reasonable, based on the following standards:

(a) The amount loaned to a local government must not exceed ninety percent of eligible proposed project costs.

(b) The local government's financial participation funds must be from locally generated revenues or federal or state shared revenues that can be allocated at the discretion of the local government.

(c) The interest rate and local share requirements for

loans will be determined annually by the board.

(d) Loans must not exceed twenty years, or the useful life of the improvements, whichever is shorter.

(3) The local government and the department must execute a final contract before any funds are disbursed.

(4) The local government must complete a scope of work form for a loan or financing guarantee and return it to the department within ninety days after the department offers a loan or financing guarantee.

(5) The local government must execute any loan or financing guarantee contracts offered within ninety days after the department offers the contract.

(6) The local government must begin work on a public works project prior to October 1 of the year in which the loan or financing guarantee is offered.

(7) The local government must complete work on the public works project within the time specified in the loan agreement, unless a written request for extension is approved by the board.

(8) The board or department will not reimburse local governments for any funds spent on public works projects financed through the public works assistance account before a contract agreement has been formally executed. Funds spent before the contract is executed may be used toward local participation requirements if they are for eligible activities under WAC 399-30-030 and are consistent with the executed loan agreement.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-30-060, filed 11/19/98, effective 12/20/98.

Statutory Authority: RCW 43.155.040(4). 92-03-052, § 3 99-30-060, filed 1/13/92, effective 2/13/92. Statutory Authority: RCW 43.155.040. 88-23-095 (Order 88-08, Resolution No. 86-12), § 3 99-30-060, filed 11/22/88; 86-18-009 (Resolution No. 86-12), § 3 99-30-060, filed 8/21/86. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-30-060, filed 12/4/85.]

**WAC 399-30-065 Emergency loan and financing guarantee contracts.** (1) After the legislature has appropriated funds from the public works assistance account for emergency loans, the loan funds will be disbursed to the applicant local government pursuant to a contract. The contract will offer terms and conditions the board determines are reasonable, based on the following standards:

(a) The local government's financial participation funds must be from locally generated revenues or federal or state shared revenues that can be allocated at the discretion of the local government.

(b) Loans must not exceed twenty years, or the useful life of the improvements, whichever is shorter.

(2) The local government and the department must execute a final contract before any funds are disbursed.

(3) The local government must complete a scope of work form for a loan or financing guarantee and return it to the department within ninety days after the department offers a loan or a financing guarantee contract.

(4) The local government must execute any loan or financing guarantee contracts offered within ninety days

after the department offers the contract.

(5) The local government must begin work on an emergency public works project within ninety days after the contract is executed.

(6) The local government must complete work on an emergency public works project within twelve months after the contract is executed, unless a written request for extension is approved by the board.

(7) The board or department will not reimburse local governments for any funds spent on emergency public works projects financed through the public works assistance account before a contract agreement has been formally executed. However, if the local government has formally declared an emergency, the board may approve reimbursement of eligible costs of correcting the emergency incurred after an emergency was declared.

Any unreimbursed eligible costs for the project may be used toward local participation requirements, if any.

(8) All public works projects must comply with the competitive bid requirement of RCW 43.155.060 to the extent feasible and practicable.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 3 99-30-065, filed 11/19/98, effective 12/20/98.

Statutory Authority: RCW 43.155.040(4). 92-03-052, § 3 99-30-065, filed 1/13/92, effective 2/13/92. Statutory Authority: RCW 43.155.040. 89-10-041 (Order 89-01), § 3 99-30-065, filed 4/28/89.]

## **Chapter 399-40 WAC COMPLIANCE WITH STATE ENVIRONMENTAL POLICY ACT**

**Last Update: 1/13/92**

### **WAC SECTIONS**

399-40-010 Purpose.

399-40-020 Statement.

**WAC 399-40-010 Purpose.** The purpose of this chapter is to comply with RCW 43.21C.120, which requires all agencies of government in the state of Washington, consistent with the rules and guidelines adopted under RCW 43.21C.110, to adopt rules pertaining to the integration of policies and procedures of the State Environmental Policy Act of 1971, into the various programs under their jurisdiction for implementation.

[Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-40-010, filed 12/4/85.]

**WAC 399-40-020 Statement.** Pursuant to WAC 197-11-800(16), the public works board has reviewed its authorized activities and has found them all to be exempt under the provisions of chapter 197-11 WAC.

[Statutory Authority: RCW 43.155.040(4). 92-03-051, § 3 99-40-020, filed 1/13/92, effective 2/13/92. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 3 99-40-020, filed 12/4/85.]



## Chapter 399-50 WAC ETHICS IN PUBLIC SERVICE

Last Update: 4/6/01

### WAC SECTIONS

399-50-010 Definitions.

399-50-020 Interest in contracts, projects, or loans.

399-50-030 Interest in Transactions.

399-50-040 Disclosure of Recusal.

**WAC 399-50-010 Definitions.** (1) Unless another definition is given, words used in this chapter have the same meaning as in chapter 42.52 RCW, Ethics in public service.

(2) "Annual construction roster" means the prioritized list of projects recommended for funding, which is developed and submitted to the legislature before November 1 of each year under RCW 43.155.070(4).

(3) "Beneficial interest" means the right to enjoy profit, benefit, or advantage from a contract or other property and also has the meaning given to it in Washington case law. Ownership interest in a mutual fund or similar investment-pooling fund in which the owner has no management powers does not constitute a beneficial interest in the entities in which the fund or pool invests.

(4) "Project" means public works project as defined in RCW 43.155.020(5).

[Statutory Authority: Chapter 42.52 RCW and RCW 43.155.040(4). 00-11-021, § 3 99-50-010, filed 5/9/00, effective 6/9/00.]

**WAC 399-50-020 Interest in contracts, projects, or loans.** (1) When a member of the public works board is beneficially interested, directly or indirectly, in a contract, project, or loan that may be made by, through, or under the supervision of the board, in whole or in part, or when the member accepts, directly or indirectly, any compensation, gratuity, or reward from any other person beneficially interested in such contract, project, or loan, the member shall:

(a) Recuse him or herself from board discussion regarding the specific contract, project, or loan;

(b) Recuse him or herself from the board vote on the specific contract, project, or loan; and

(c) Refrain from attempting to influence the remaining board members in their discussion and vote regarding the specific contract, project, or loan.

(2) The prohibition against discussion set forth in subsection (1)(a) and (c) of this section shall not prohibit the member of the board from using his or her general expertise to educate and provide general information on the subject area to the other members.

(3) Under subsection (1) of this section, "any other person" has a beneficial interest in a contract, project, or loan when the other person bids, applies for, or otherwise seeks to be awarded the contract, project, or loan.

### Example 1

Board member Sam Jones is an engineering consultant. Jones performs consulting work on a regular basis for the Evergreen County public works department. The board is asked to approve an emergency public works loan for Evergreen County. Jones should recuse himself from voting on or discussing this action because he receives compensation from a "person" (Evergreen County) beneficially interested in the proposed loan.

### Example 2

Board member Ima Kozy is the President and CEO of a firm that constructs roads and utilities. The board is asked to approve a list of loans for construction projects in various locations around the state. One of the projects is in the City of Destiny, where Ima's firm frequently responds to solicitation for bids. If Ima wants her firm to be able to bid on the Destiny project, she should recuse herself from voting on this list or discussing this action.

If Ima does vote to approve the list or participates in discussing it, she will be prohibited by RCW 42.52.030 from receiving a direct or indirect beneficial interest in the loan contract to Destiny, or from accepting compensation from another person beneficially interested in the contract. Thus, neither she nor her firm may bid on the project.

[Statutory Authority: Chapter 42.52 RCW and RCW 43.155.040(4). 00-11-021, § 3 99-50-020, filed 5/9/00, effective 6/9/00.]

**WAC 399-50-030 Interest in transactions.** (1) When a member of the public works board either owns a beneficial interest in or is an officer, agent, employee or member of an entity or individual engaged in a transaction involving the board, the member shall:

(a) Recuse him or herself from board discussion regarding the specific transaction;

(b) Recuse him or herself from the board vote on the specific transaction; and

(c) Refrain from attempting to influence the remaining board members in their discussion and vote regarding the specific transaction.

(2) The prohibition against discussion and voting set forth in subsection (1)(a) and (c) of this section shall not prohibit the member of the board from using his or her general expertise to educate and provide general information on the subject area to the other members.

(3)(a) "Transaction involving the board" means a proceeding, application, submission, request for a ruling or other determination, contract, project or proposed project, loan, claim, case, or other similar matter that the member in question believes, or has reason to believe:

(i) Is, or will be, the subject of board action; or

(ii) Is one to which the board is or will be a party; or

(iii) Is one in which the board has a direct and substantial proprietary interest.

(b) "Transaction involving the board" does not include the following: Preparation, consideration, or enactment of

legislation, including appropriation of moneys in a budget, or the performance of legislative duties by a member; or a claim, case, lawsuit, or similar matter if the member did not participate in the underlying transaction involving the board that is the basis for the claim, case, or lawsuit. Rulemaking is not a "transaction involving the board."

(4) "Board action" means any action on the part of the board, including, but not limited to:

(a) A decision, determination, finding, ruling, or order; and

(b) A grant, payment, award, license, contract, transaction, sanction, or approval, or the denial thereof, or failure to act with respect to a decision, determination, finding, ruling, or order.

### **Example 3**

*Board member Alice Lester is a director of the Starburst Sewer District. During presentation of the annual construction roster, the board is asked to consider adding projects to the roster based on various criteria developed by staff. The board's choice of criteria will determine which additional projects will be funded. A sewer improvement project for the Starburst Sewer District is among those that may be added to the roster, depending on which criteria are selected. Lester should disclose her affiliation with*

*Starburst and recuse herself from discussing on or voting on the criteria for funding additional projects, because she is an officer of an entity interested in a transaction before the board, specifically determination of funding criteria that will affect Starburst Sewer District.*

[Statutory Authority: Chapter 42.52 RCW and RCW 43.155.040(4). 00-11-021, § 3 99-50-030, filed 5/9/00, effective 6/9/00.]

**WAC 399-50-040 Disclosure of Recusal.** A board member shall disclose to the public the reasons for his or her recusal from any board action at the time of the recusal. A board member shall disclose to the public the nature of any interest the member has in a project on the annual construction roster or other aggregated list or roster of contracts, projects, or loans at the time the roster or list is considered by the board. Board staff shall record each such recusal or disclosure and the basis thereof.

[Statutory Authority: RCW 43.155.040(5). 01-09-014, § 3 99-50-040, filed 4/6/01, effective 5/7/01. Statutory Authority: Chapter 42.52 RCW and RCW 43.155.040(4). 00-11-021, § 3 99-50-040, filed 5/9/00, effective 6/9/00.]

## PERMIT AND REVIEW CHECKLIST

This checklist is intended to provide applicants with additional assistance in scheduling for the acquisition of necessary permits and approvals related to their proposed projects. **This checklist is for applicant's use only and is not meant to be all-inclusive. Do not return with the application.**

### LOCAL PERMITS AND REVIEWS

<input type="checkbox"/> Building Permit <input type="checkbox"/> Grading Permit <input type="checkbox"/> SEPA Compliance (WAC 197-11) <input type="checkbox"/> Categorically exempt <input type="checkbox"/> Determination of non-significance or mitigated (dns) <input type="checkbox"/> Determination of significance (ds) (environmental impact statement required) <input type="checkbox"/> Other	<input type="checkbox"/> Shoreline Management Act Compliance (RCW 90.58) <input type="checkbox"/> Exempt <input type="checkbox"/> Shoreline permit <input type="checkbox"/> Conditional use <input type="checkbox"/> Variance Other _____ <input type="checkbox"/> Other _____
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### STATE PERMITS AND REVIEWS

<input type="checkbox"/> Hydraulic Code Compliance (RCW 75.20) - DOF or WDW <input type="checkbox"/> Floodplain Disclosure (RCW 86.16) Puget Sound Basin Disclosure (RCW 90.70) <input type="checkbox"/> Other _____ <input type="checkbox"/> Other _____	<input type="checkbox"/> Wetlands Disclosure (Governor's Executive Order 90-04) <input type="checkbox"/> Critical Area Disclosure (RCW 36.70A)
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### FEDERAL PERMITS AND REVIEWS

<input type="checkbox"/> NEPA (NEPA PL 91-190) <input type="checkbox"/> Other _____ <input type="checkbox"/> Other _____	<input type="checkbox"/> U.S. Army Corps of Engineers (as amended) <input type="checkbox"/> Section 10 <input type="checkbox"/> Section 404
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## PUBLIC WORKS BOARD CAPITAL FACILITIES PLAN STANDARDS

The following standards are the minimum requirements for a Capital Facilities Plan (CFP) as established by the Public Works Board. As of January 1, 1996, the Public Works Trust Fund requires all loan applicants to have CFPs, which meet these requirements (except those jurisdictions planning under GMA whose deadlines are not passed at time of application).

- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>a. Inventory major system components, show locations and capabilities, and assess the overall capital needs for the specific system(s) involved;</li><li>b. Forecast future needs for the capital facilities, show location, and capabilities of expanded or new capital facilities;</li><li>c. Identify, prioritize and coordinate major capital improvement projects over a six-year period;</li><li>d. Estimate capital project costs, identify financing alternatives for each project identified. Transportation projects and funding must be consistent with locally-established service standards;</li></ul> | <ul style="list-style-type: none"><li>e. Must be updated on a regular basis. We recommend at least once every two years. In no case will a plan over six (6) years old be accepted;</li><li>f. Must be consistent with the comprehensive plans of neighboring jurisdictions;</li><li>g. Must have provided opportunity for early and continuous public participation; and</li><li>h. Must be consistent with, and is an element of, the comprehensive plan formally adopted by the governing body of the local jurisdiction.</li></ul> |
|---|--|

For letter “f” above, the Public Works Board will give special interpretation to special purpose districts. Special purpose districts need to show consistency with the Comprehensive Land Use Plan of the counties and/or cities in which they provide services.

**Note:** Counties and cities that have an approved CFP as part of the GMA requirements, generally meet the above standards.

**We recommend that you contact your GMA Planner listed on page 4, or call (360) 725-3001 for information or verification on any GMA matter.**

## PUBLIC WORKS BOARD MEMBERS

Glenn Olson, PW Board Chair  
Director, Office of Budget/Information Services  
Clark County  
Vancouver, Washington

The Honorable Rebecca Francik  
City Council Member  
City of Pasco  
Pasco, Washington

Katy Isaksen, PW Board Vice Chair  
Katy Isaksen and Associates  
Seattle, Washington

The Honorable Bill Harrison  
City Council Member  
City of Lakewood  
Lakewood, Washington

Cus Arteaga  
Public Works Director  
City of Grandview  
Grandview, Washington

Bill Huibregtse  
President  
Huibregtse Louman Associates, Inc.  
Yakima, Washington

Robert Bandarra  
General Manager  
Woodinville Water District  
Woodinville, Washington

The Honorable Eric Johnson  
Commissioner  
Lewis County

Patrick Buckley  
Manager, Domestic Water  
Pend Oreille County PUD  
Newport, Washington

Darlene McHenry  
Executive Director  
Utility Contractors Association  
Bellevue, Washington

Pete Capell  
Public Works Director  
Clark County  
Vancouver, Washington

The Honorable Jesse Palacios  
Commissioner  
Yakima County

Lynne Danielson  
Office Manager  
Olympic View Water District

Revised 2/10/04

## PUBLIC WORKS BOARD MISSION

### BACKGROUND

The Public Works Board was created by the 1985 Legislature to provide leadership in the arena of public works management. Appointed by the Governor for staggered four-year terms, the Board is comprised of (1) local government officials from counties and cities; (2) special purpose district representatives; and (3) private sector members. The 13 members of the Public Works Board possess a wide range of experience and talent in relevant fields such as public finance, engineering, construction, and local government public works management.

The Public Works Board understands that the condition of local physical infrastructure has a significant bearing on the quality of life in Washington communities. In addition to providing stewardship of the Public Works Trust Fund and the Drinking Water State Revolving Fund, the Board recognizes one of its chief aims is to promote good public works management strategies and techniques. To this end, the Board has adopted a formal statement of its mission and goals:

### MISSION

The mission of the Washington State Public Works Board is to assist Washington's local governments and private water systems in meeting their public works needs.

Adopted May 2002

To accomplish this mission, the Board will:

- Provide leadership to local governments to encourage self-reliance in meeting their long-range public works needs.
- Assist in the financing and repair, reconstruction, replacement, rehabilitation or improvements to enhance and preserve public works facilities through the management of the Public Works Trust Fund Program.
- Work in partnership with the Department of Health to assist in the management of the Drinking Water State Revolving Fund to provide loans to water systems for improvements aimed at increasing public health protection and assisting water systems to be in compliance with the Federal Safe Drinking Water Act.
- Encourage and provide technical assistance in capital facilities and demand management planning, finance preventative maintenance and public works management.
- Encourage effective local government investment in public works facilities.
- Seek additional innovations for leveraging the Public Works Trust Fund and the Drinking Water State Revolving Fund in pursuit of these purposes.

**KEY POLICY INFORMATION  
FOR PUBLIC WORKS TRUST FUND PROGRAMS**

- Acceleration Clause .....30
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## Acceleration Clause in Loan Agreement

Be it resolved that future loan agreements between the Board and its local governmental borrowers be revised to:

- (i) Exclude provisions permitting the Board to declare the entire principal and interest due thereunder to be immediately due and payable and
- (ii) To clarify the right of the Board to inform other creditors of such borrowers upon a default or other breach of the loan agreement.

Be it further resolved that, at the request of any of the Board's local government borrowers, the Board will amend the existing loan agreement to conform to the changes approved for future loan agreements.

*(Adopted 2/4/2003)*

## Acquisition / Merger / Receivership Of Other Systems

Jurisdictions in the process of acquiring or merging water and sewer systems with other jurisdictions may apply for PWTF loans. Funds from such loans may be used to pay for system acquisition when the system is acquired after loan agreement execution, and for the repair, replacement, rehabilitation, or improvement of the to-be-acquired system. The legal agreement to merge or obtain the acquired system may be contingent upon receiving a Trust Fund loan for system improvements. Important timelines follow:

- 1) The legal agreement must comply with Titles 54 or 57 of the Revised Code of Washington and be in place at the time of application. A copy of the agreement must accompany the application.
- 2) Actual acquisition or merger must occur in concurrence with or after the execution of a formal Loan Agreement. Local governments with a private system under their "receivership" may apply for a Trust Fund loan. The applicant will be responsible for the loan repayment if the system is returned to private ownership.

*(Revision Adopted 6/3/2003)*

## Competitive Bidding

The Public Works Board recognizes that fair and open competition is a basic tenet of public works procurement. Competitive bidding under Washington law:

- Reduces the appearance and opportunity for favoritism.
- Inspires public confidence that contracts are awarded equitably and economically.
- Provides documentation of the actions taken.
- Maintains effective monitoring mechanisms, which are an important means of curbing improprieties.

These management practices help establish public confidence in the process by which contractual services are procured.

The enabling language for the Public Works Board requires that "all projects aided in whole or part under the provisions of this chapter shall be put out for competitive bids, except for emergency public works under 43.155.065..." This law is specific to the Trust Fund and supersedes any other competitive bidding law of counties, cities or special purpose districts. Small works rosters are considered to be a part of the competitive bidding process. Force account work is not permitted.

This information is coupled with two special interpretations:

- 1) A local government may use an interlocal agreement for roadway seal coating to perform such work if bids or quotes from private sector contractors have been solicited and compared with the interlocal agreement proposal.
- 2) Due to the special public health significance and liability involved, a domestic water system project may use the local government's own staff and equipment to perform sterilization, sanitation, and bacteriological testing before the system components are put into use.

Engineering and design activities may be performed in-house by staff or by engineering consultants selected under the state law on architectural or engineering services procurement (RCW 39.80). A local government may also provide project materials (pipe, fire hydrants, luminary poles, traffic signal standards, etc.) for the contractor to install, provided the materials were acquired by competitive bid.



Locally provided materials may be used as local share if purchased within 12 months of Loan Agreement execution or may be financed by the loan if purchased after Loan Agreement execution.

#### Note: Policy Revision:

Eligible applicants using the finance mechanism under RCW 70.95A to construct a pollution control facility, in conjunction with PWTF financing (under RCW 43.155) shall be exempt from the competitive bidding laws (as stated in RCW 70.95A).

*(Adopted Revision December 2, 1997)*

#### Draw Schedule

This policy applies to Public Works Trust Fund loans approved beginning with the 2003 Loan Cycle. It does not apply to loans awarded prior to the 2003 Loan Cycle.

Borrowers will be allowed to take a second draw equal to the cost of the equipment before a notice to proceed is issued. Subsequent draws will require a notice to proceed. The dollar amount of subsequent draws will be limited by the certifications required below.

Draw Number	Amount	When
1 <sup>st</sup>	20% of loan amount	When loan agreement is executed.
2 <sup>nd</sup>	25% of loan amount	When "Notice to Proceed" is issued.
<b>OR</b>	<b>An amount equal to the cost of equipment</b>	<b>When borrower provides evidence a bid process was used to purchase equipment necessary for the project.</b>
3 <sup>rd</sup>	25% of loan amount	When borrower certifies 35% of the loan amount has been spent.
4 <sup>th</sup>	25% of loan amount	When borrower certifies 60% of the loan amount has been spent.
5 <sup>th</sup> (Final)	5% of loan amount	When borrower completes the project close-out report.

Pre-Calculated disbursement forms and "Expenditure Certification" forms will be provided to borrowers as part of the loan agreement package.

*(Adopted August 20, 2002)*

#### The Endangered Species Act (ESA)

Projects necessary to comply with ESA standards are eligible for PWTF financing. Examples include:

- Basin-wide culvert replacement;
- Storm sewer discharge improvements;
- Sanitary sewer upgrades; and
- Drinking water supply source improvements on streams.

#### Growth

Eligible projects may be designed to accommodate reasonable growth. This is generally the twenty-year growth projection included in the local government's comprehensive plan under the Growth Management Act (GMA). For local governments not planning under the GMA, the use of growth projects contained in one of the following:

- Comprehensive Water System Plan;
- Comprehensive or General Sewer System Plan;
- Transportation Improvement Plan;
- Other appropriate system plan; or
- 20-year population projections from the State Office of Financial Management (OFM) may be used.

Projects specifically designed to retain or expand employment opportunities should apply to federal or state economic development funding programs. Recognizing that differences of interpretation may occur, the Public Works Board has determined that any such differences will be resolved in favor of increasing local participation and decreasing PWTF participation in such projects. Jurisdictions with projects of this nature should consult with Public Works Board staff at the earliest possible time.

*(Adopted June 1, 1999)*

#### Land Acquisition

Acquisitions of additional land, right-of-way, or easements are subject to the following: The land must be necessary to complete the project applied for and, in the case of easements, must be for a period of not less than the life of the PWTF loan. Examples of permitted land acquisition are the purchase of additional land to construct a new water reservoir, purchase of additional right-of-way to widen an existing roadway, and securing an

easement under railroad property for a sewer line. Purchase of wetlands for the purpose of stormwater detention is permitted. (Also see the Redevelopment Policy, Volume 3: Key Policy Information.)

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## Landscaping

Construction of landscaping improvements is a permitted use for Trust Fund monies. Landscaping is defined as an improvement made as a part of a project that involves grass or other ground cover, flowers, shrub or tree plantings. The placement of soil amendments to further the goal of water retention or enhancing plant growth is included. Landscaping includes plantings:

- to prevent wind or water erosion;
- to restore reclaimed land for a useful purpose;
- to line waterways, water detention swales, ponds, or facilities;
- to provide for visual enhancement or barriers on a project; and
- to provide for habitat restoration or enhancement directly associated with the project or its mitigation activities when required by a regulatory agency (Ecology, Fish & Wildlife, Natural Resources, US Fish and Wildlife Service, etc.).

Landscaping does not include street furniture (free-standing benches, bus shelters, bicycle racks, etc.).  
(Revision Adopted 12/2/2000)

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## Multi-System Projects

The Public Works Board encourages the submission of projects that provide for the upgrade of all public works systems in the area. For example: A road reconstruction project may include replacement of existing sanitary sewer, domestic water and storm sewer lines. A water line project may include related roadway surface restoration and asphalt overlay for the entire roadway upon completion of the water line work. Normally, the public works system having the largest portion of project cost will determine the "Type of Project" (Application Forms).

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## Other Public Works Standards

The applicant/recipient of a PWTF loan is required to comply with all other public works construction laws,

including but not limited to: Metric conversion, Americans with Disabilities Act (ADA), environmental acts, prevailing wages, Departments of Health, Ecology, Revenue, and Labor and Industries standards. Local governments are encouraged, but not required as a condition of PWTF funding, to use business firms certified as minority- and/or women-owned.

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## Pre-Construction Loan Term

The standard Pre-Construction Loan term is a maximum of five years. Effective with the 1998 Pre-Construction Loan application cycle, the term will be extended to 20 years or the life of the project, whichever is less, if the following condition is met:

Before the first principal payment on the loan is due (the second loan payment), the jurisdiction provides written evidence that construction funding for the project is or will be obtained. Evidence includes, but is not limited to:

- Letters of funding award from state and/or federal funding sources (including the Public Works Trust Fund and the Drinking Water State Revolving Fund);
- Legislative body resolutions or ordinances accepting state or federal funding for the project;
- A Local Improvement District or other assessment district has been formed and is authorized to collect assessments;
- Legislative body resolution approving the sale of bonds or obtaining other commercial financing; or
- Legislative body adopted final annual budget documents clearly identifying local commitment to construction activities.

**Note:** Recognizing that differences of interpretation may occur, the Public Works Board has determined that any such differences will be resolved in favor of the standard five-year loan term.

(Adopted February 3, 1998)

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## Redevelopment

The Public Works Board encourages in-fill of developed areas and the redevelopment of existing residential, commercial, and industrial areas to meet the needs of changing local economies. Realignment of roads, storm sewer, sewer, and

water lines to better serve a reconfigured residential, commercial, or industrial area are examples of activities permitted under this policy. PWTF funds may not be used to purchase new or additional land within a redevelopment area. Land acquisitions necessary for reconfigured public facilities are solely the responsibility of the local government.

## **Systems Eligible For Public Works Trust Fund Financing**

### **Bridges**

Bridge projects may be for one bridge or several bridges as long as the project is clearly part of a strategy to upgrade an existing substandard bridge system. Combining bridge and culvert replacement is permitted if shown to be a part of an overall public works strategy. The construction of a bridge where there is currently no bridge is permitted only if the bridge is part of a “missing link” of an existing roadway system.

### **Roads**

Road projects may include construction of a project along a new alignment (substitution) if it can be shown that construction on the existing alignment would be environmentally or fiscally cost prohibitive, or if the realignment is part of a redevelopment strategy. Completion of a “missing link” in an existing roadway system is permitted. The inclusion of other elements to complete a road project, including sidewalks, bicycle lanes, signs, signals, lighting, bus pull-outs and landscaping necessary to control erosion, is permitted. The definition of roads includes county or city ferry system boats and docks, but not parking facilities.

### **Domestic Water**

Domestic water systems may be extended to include satellite operations as well as to replace existing privately owned system sources, if it can be demonstrated there is an existing or potential health hazard and it is good public works management to extend the domestic water system to serve this area. If a public health emergency, public health hazard, or other public health designation exists, a copy of the certification from the local health officer or the State Department of Health should accompany the application. The legal authority that authorizes the declaration should be referenced.

Purchase and installation of approved water conservation fixtures, systems and equipment, as identified in state law for Public Works Board client groups (counties, cities, PUDs, water and sewer districts, but not irrigation or reclamation districts) are eligible for PWTF financing. The PWTF loan term shall not exceed the ten-year pay back period specified in conservation fixture legislation.

### **Sanitary Sewers**

Sanitary sewer systems may be extended to include satellite operations as well as to replace existing privately-owned systems, if it can be demonstrated there is an existing or potential threat to the jurisdiction’s ground or surface waters.

Sanitary sewer systems may be extended to include repair and/or replacement of sanitary sewer side service connections on privately owned property, if it can be demonstrated that the work done on the private property will benefit the public system. The applicant, at the time of application, must have in place an ordinance or resolution declaring such repair and/or replacement to be a public policy of the jurisdiction and setting forth the finding of public benefit.

If a public health emergency, public health hazard, or other public health designation exists, a copy of the certification from the local health officer or the State Department of Health should accompany the application. The legal authority that authorizes the declaration should be referenced.

Purchase and installation of approved water conservation fixtures, systems and equipment, as identified in state law for Public Works Board client groups (counties, cities, PUDs, water and sewer districts, but not irrigation or reclamation districts) are eligible for PWTF financing. The PWTF loan term shall not exceed the ten-year pay back period specified in conservation fixture legislation.

Water reuse projects are eligible for PWTF financing.

### **Storm Sewers**

Storm sewer systems include enclosed drainage systems, dikes, open ditches, channels, and culverts to convey storm or surface waters. Also included are detention/retention basins, sedimentation basins, debris booms or oil skimmers, and ladders to reduce erosion on steeply sloped waterways. Projects to protect and enhance wetlands when degradation is

caused by storm sewer discharges are permitted. Separation of combined sanitary and storm sewer systems is permitted.

*(Revised May 5, 1999)*

### **Solid Waste/Recycling**

Solid waste system projects are eligible for PWTF funding. Eligible projects include:

Capital projects that result in the repair, restoration or replacement of existing facilities used in waste reduction, recycling or disposal;

- Capital projects necessary to provide for the transfer and storage of solid waste, moderate risk hazardous waste as defined by Chapter 70.105 RCW, and materials for recycling;
- Landfill improvements or remedial actions at open, closed, or abandoned sites to ensure regulatory compliance or minimum functional standards such as monitoring wells, landfill caps and landfill gas leachate monitoring, and collection and/or disposal systems; and
- Development costs, provided the project is needed to serve the existing customer base and takes place in an existing and permitted landfill. Landfill closure costs will be eligible only for landfill cells constructed prior to November 27, 1989.

The PWTF will **not** provide money for:

- Landfill site acquisition;
- Rolling stock;
- Incinerator or waste-to-energy facilities;
- Acquisition of a privately-owned system or system component; or
- Solid waste composting.

Not more than 25 percent (25%) of the available loan money will be allocated to solid waste projects in any given year.

### **System Ownership**

The Public Works Board only provides financial assistance for projects in which the local government borrower retains an ownership interest in the affected real property. For purposes of this policy, that interest may be demonstrated through outright ownership, court-ordered receivership, or a long-term lease, permit, or easement that covers the period of the loan obligation. No formal ownership interest need be demonstrated for projects in which a local government makes improvements within the right-of-way of a state highway consistent with state law.

*(Adopted August 5, 1997)*

## CLIENT SERVICE REPRESENTATIVE MAP

Client Service Representatives are your primary contacts for all matters dealing with Public Works Trust Fund (PWTF), and Drinking Water State Revolving Fund (DWSRF) services, including development of your Capital Facilities Plan, addressing an emergency, outlining options for funding a construction project, and/or project close-out.

They are supported by the Administrative Workgroup, which handles routine contract matters, fund transfers to clients, and loan billings.

We welcome the opportunity to work with you to forge new partnerships with other public services, and can help you integrate with other state and federal programs.

### For More Information Contact:

Your Client Service Representative, or Public Works Board Administrative Services at (360) 586-4130, or by writing to:

Public Works Board  
Post Office Box 48319  
Olympia, Washington 98504-8319

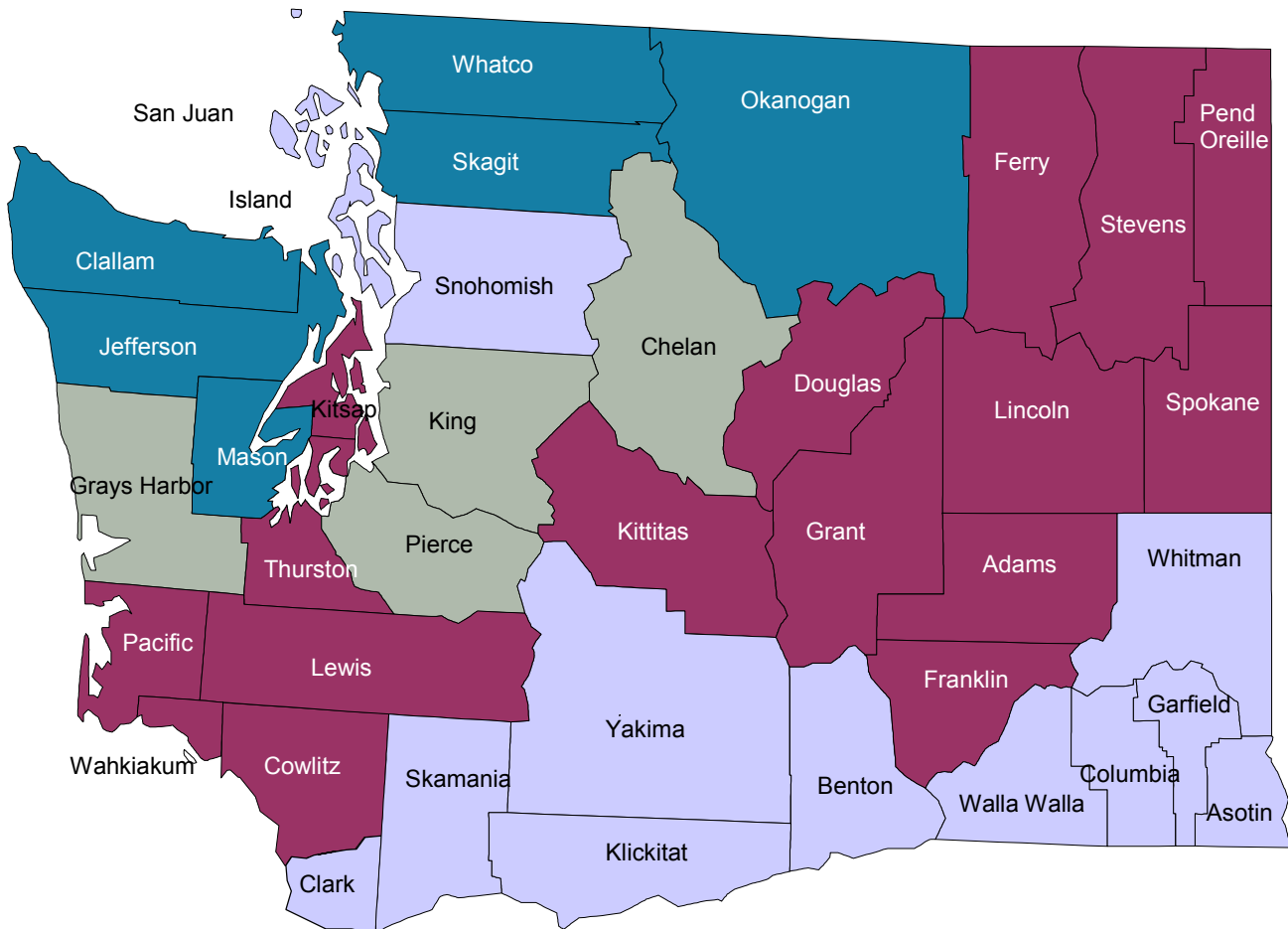
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Drinking Water Regional Offices**

**Eastern Regional Office**

1500 West 4th Ave, Suite 305  
Spokane, Washington 99204  
(509) 456-3115  
FAX: (509) 456-2997

**Counties served:** Adams,  
Asotin, Benton, Chelan,  
Columbia, Douglas, Ferry,  
Franklin, Garfield, Grant,  
Kittitas, Klickitat, Lincoln,  
Okanogan, Pend Oreille,  
Spokane, Stevens, Walla  
Walla, Whitman and Yakima

**Southwest Regional Office**

PO Box 47823  
Olympia, WA 98504-7823  
(360) 664-0768  
FAX: (360) 664-8058

**Counties served:** Clallam,  
Clark, Cowlitz, Grays Harbor,  
Jefferson, Kitsap, Lewis,  
Mason, Pacific, Skamania,  
Thurston and Wahkiakum

**Northwest Regional Office**

20435 72<sup>nd</sup> Avenue S  
Suite 200, K17-12  
Kent WA 98032-2358  
(253) 395-6750  
FAX: (253) 395-6760

**Counties served:** Island,  
King, Pierce, San Juan,  
Skagit, Snohomish and  
Whatcom

**PUBLIC WORKS TRUST FUND  
SAMPLE REPAYMENT SCHEDULE  
FOR CONSTRUCTION LOAN  
LOAN AMOUNT: \$1,000,000  
TERM: 20 YEARS**

	PRINCIPAL PAYMENT	INTEREST PAYMENT AT 2%	INTEREST PAYMENT AT 1%	INTEREST PAYMENT AT 0.5%
Payment in year 2002	\$0	\$3,916.67	\$1,958.33	\$ 979.17
Payment in year 2003	\$52,631.58	\$18,988.89	\$9,494.44	\$4,747.22
Payment in year 2004	\$52,631.58	\$18,947.38	\$9,473.68	\$4,736.84
Payment in year 2005	\$52,631.58	\$17,894.73	\$8,947.38	\$4,473.68
Payment in year 2006	\$52,631.58	\$16,842.11	\$8,421.06	\$4,210.52
Payment in year 2007	\$52,631.58	\$15,789.48	\$7,894.73	\$3,947.38
Payment in year 2008	\$52,631.58	\$14,736.84	\$7,368.42	\$3,684.21
Payment in year 2009	\$52,631.58	\$13,684.21	\$6,842.11	\$3,421.06
Payment in year 2010	\$52,631.58	\$12,631.58	\$6,315.79	\$3,157.89
Payment in year 2011	\$52,631.58	\$11,578.94	\$5,789.48	\$2,894.73
Payment in year 2012	\$52,631.58	\$10,526.32	\$5,263.16	\$2,631.58
Payment in year 2013	\$52,631.58	\$ 9,473.68	\$4,736.84	\$2,368.42
Payment in year 2014	\$52,631.58	\$ 8,421.06	\$4,210.52	\$2,105.27
Payment in year 2015	\$52,631.58	\$ 7,368.42	\$3,684.21	\$1,842.11
Payment in year 2016	\$52,631.58	\$ 6,315.79	\$3,157.89	\$1,578.94
Payment in year 2017	\$52,631.58	\$ 5,263.16	\$2,631.58	\$1,315.79
Payment in year 2018	\$52,631.58	\$ 4,210.52	\$2,105.27	\$1,052.62
Payment in year 2019	\$52,631.58	\$ 3,157.89	\$1,578.94	\$ 789.48
Payment in year 2020	\$52,631.58	\$ 2,105.27	\$1,052.62	\$ 526.32
Payment in year 2021	\$52,631.56	\$ 1,052.62	\$ 526.32	\$ 263.16
<b>TOTAL PAYMENT</b>	<b>\$1,000,000</b>	<b>\$202,905.56</b>	<b>\$101,452.77</b>	<b>\$50,726.39</b>

**Assumptions:**

First Draw: \$150,000	Date Taken: June 1, 2001
Second draw: \$750,000	Date Taken: June 15, 2002
Third draw \$100,000	Date Taken: January 1, 2003

First repayment date: July 1, 2002

Interest only charged in first fiscal year (ending June 30).

Note: All numbers generated are rounded.



**PUBLIC WORKS TRUST FUND  
ESTIMATED REPAYMENT SCHEDULE  
PRE-CONSTRUCTION LOAN  
LOAN AMOUNT: \$100,000  
TERM: 5 YEARS**

	PRINCIPAL PAYMENT	INTEREST PAYMENT AT 2%	INTEREST PAYMENT AT 1%	INTEREST PAYMENT AT 0.5%
Payment in year 2001	\$ 0.00	\$ 763.89	\$ 381.94	\$ 190.98
Payment in year 2002	\$ 25,000.00	\$2,000.00	\$1,000.00	\$ 500.00
Payment in year 2003	\$ 25,000.00	\$1,500.00	\$ 750.00	\$ 375.00
Payment in year 2004	\$ 25,000.00	\$1,000.00	\$ 500.00	\$ 250.00
Payment in year 2005	\$ 25,000.00	\$ 500.00	\$ 250.00	\$ 125.00
	\$100,000.00	\$5,763.89	\$2,881.94	\$1,440.98

Assumptions: First Draw \$75,000.00 Date Taken: Jan 1, 2001  
Second Draw \$25,000.00 Date Taken: June 15, 2001

Total Drawn \$100,000.00

NOTE: Numbers may not add up due to computer rounding.  
Interest only charged in first fiscal year (ending June 30<sup>th</sup>)

**LOAN AMOUNT: \$1,000,000  
TERM: 5 YEARS**

	PRINCIPAL PAYMENT	INTEREST PAYMENT AT 2%	INTEREST PAYMENT AT 1%	INTEREST PAYMENT AT 0.5%
Payment in year 2001	\$ 0.00	\$ 7,638.89	\$ 3,819.44	\$ 1,909.73
Payment in year 2002	\$ 250,000.00	\$20,000.00	\$10,000.00	\$ 5,000.00
Payment in year 2003	\$ 250,000.00	\$15,000.00	\$ 7,500.00	\$ 3,750.00
Payment in year 2004	\$ 250,000.00	\$10,000.00	\$ 5,000.00	\$ 2,500.00
Payment in year 2005	\$ 250,000.00	\$ 5,000.00	\$ 2,500.00	\$ 1,250.00
	\$1,000,000.00	\$57,638.89	\$28,819.44	\$14,409.73

Assumptions: First Draw \$750,000.00 Date Taken: Jan 1, 2001  
Second Draw \$250,000.00 Date Taken: June 15, 2001

Total Drawn \$1,000,000.00

NOTE: Numbers may not add up due to computer rounding. Interest  
only charged in first fiscal year (ending June 30<sup>th</sup>)

**PUBLIC WORKS TRUST FUND  
SAMPLE REPAYMENT SCHEDULE  
FOR PUBLIC WORKS PLANNING LOAN  
LOAN AMOUNT: \$50,000  
TERM: 6 YEARS**

	PRINCIPLE PAYMENT	INTEREST PAYMENT AT 0%	TOTAL PAYMENT
Payment in year 2001	\$ 0.00	\$0.00	\$ 0.00
Payment in year 2002	\$10,000.00	\$0.00	\$10,000.00
Payment in year 2003	\$10,000.00	\$0.00	\$10,000.00
Payment in year 2004	\$10,000.00	\$0.00	\$10,000.00
Payment in year 2005	\$10,000.00	\$0.00	\$10,000.00
<b>TOTAL PAYMENT</b>	<b>\$50,000.00</b>	<b>\$0.00</b>	<b>\$50,000.00</b>
Assumptions:			
First draw:	\$ 7,500.00	Date taken:	Jan 1, 2001
Second draw:	\$37,500.00	Date taken:	June 15, 2001
Third draw:	\$ 5,000.00	Date taken:	Sept 1, 2001
Total drawn:	\$50,000.00		

Note: Numbers may not add-up due to computer rounding.

**Public Works Trust Fund -- Emergency Loan**  
**Sample Repayment Schedule**  
**Loan Amount: \$500,000**  
**Term: 20 Years**

	PRINCIPLE PAYMENT	INTEREST PAYMENT AT 4%	TOTAL PAYMENT
Payment in year 2001	\$0.00	\$6,483.33	\$6,483.33
Payment in year 2002	\$26,315.79	\$19,661.11	\$45,976.90
Payment in year 2003	\$26,315.79	\$18,947.38	\$45,263.17
Payment in year 2004	\$26,315.79	\$17,894.73	\$44,210.52
Payment in year 2005	\$26,315.79	\$16,842.11	\$43,157.90
Payment in year 2006	\$26,315.79	\$15,789.48	\$42,105.27
Payment in year 2007	\$26,315.79	\$14,736.84	\$41,052.63
Payment in year 2008	\$26,315.79	\$13,684.21	\$40,000.00
Payment in year 2009	\$26,315.79	\$12,631.58	\$38,947.37
Payment in year 2010	\$26,315.79	\$11,578.94	\$37,894.73
Payment in year 2011	\$26,315.79	\$10,526.32	\$36,842.11
Payment in year 2012	\$26,315.79	\$9,473.68	\$35,789.47
Payment in year 2013	\$26,315.79	\$8,421.06	\$34,736.85
Payment in year 2014	\$26,315.79	\$7,368.42	\$33,684.21
Payment in year 2015	\$26,315.79	\$6,315.79	\$32,631.58
Payment in year 2016	\$26,315.79	\$5,263.16	\$31,578.95
Payment in year 2017	\$26,315.79	\$4,210.52	\$30,526.31
Payment in year 2018	\$26,315.79	\$3,157.89	\$29,473.68
Payment in year 2019	\$26,315.79	\$2,105.27	\$28,421.06
Payment in year 2020	\$26,315.78	\$1,052.62	\$27,368.40
<b>TOTAL PAYMENT</b>	<b>\$500,000.00</b>	<b>\$206,144.44</b>	<b>\$706,144.44</b>

Assumptions:

First draw:	\$ 75,000.00	Date taken:	Jan 1, 2001
Second draw:	\$375,000.00	Date taken:	March 1, 2001
Third draw:	\$ 50,000.00	Date taken:	Sept 1, 2001
Total drawn:	\$500,000.00		

Note: Numbers may not add-up due to computer rounding.

## GUIDELINES FOR PREPARING THE SCOPE OF WORK

The Scope of Work provides a brief description of your Construction Loan project. When completed and signed, it becomes part of the formal Loan Agreement. The following are some guidelines to help you in preparing the Scope of Work.

### GENERAL GUIDELINES

1. **Provide a concise quantified description of the project, including length, width, capacities, and quantities.**

Example: *"Replace existing water mains with approximately 5,000 feet of 12" PVC water main."*

2. **But avoid making the Scope too detailed or precise.** Remember, the Scope of Work is part of your Loan Agreement, and you may be required to complete all the work elements as described. Too much detail can unnecessarily limit your flexibility.

**Instead of:** "The project consists of installing 36,959 feet of 16" concrete pipe,"

**Say:** "The project consists of installing approximately 37,000 feet of 16" concrete pipe."

3. **Try to make the Scope as inclusive as possible.** You may be able to avoid a future Scope of Work change by anticipating ahead of time the worst-case and/or best case (e.g., low bids) scenario. See "Making the Scope More Inclusive."

### MAKING THE SCOPE MORE INCLUSIVE

If your project consists of utility work that requires trench patching and an overlay from roadway edge to roadway edge, include a statement to this effect in your Scope.

You may choose to write a "basic" Scope of Work with additional work elements added should low bids be received. The example below shows how this may be done.

#### **EXAMPLE:** Water Line Replacement

Basic Scope of Work: Replace approximately 8,000 feet of 8" water line and approximately 4,350 feet of 6" water line.

Phase II: If sufficient funds are available, an additional 1,200 feet of 6" line will be replaced.

**CAUTION:** Keep in mind while preparing your Scope that you will be expected to complete all the elements identified in your basic Scope, even if engineering review indicated additional work elements may be required or bids come in higher than anticipated.

## GOOD EXAMPLES OF PRE-CONSTRUCTION AND CONSTRUCTION PROJECT SCOPES OF WORK

These examples illustrate the appropriate level of detail for your Scope of Work. Your particular project may be more complex than these and therefore, require more discussion. Just remember to make your descriptions as concise as possible.

**Water Project – Reservoir Design:** Construction of an approximately 1.5 million-gallon reservoir at the existing site. The project includes: Installing the necessary water mains and equipment to connect the new reservoir to the existing water system, installing telemetry and control systems compatible with the city's existing telemetry system, and improving the site by grading and fencing. The design effort includes the following primary elements:

- Preliminary design and development of a project report. The objective of the preliminary design is to evaluate the water system storage to determine the optimum storage improvements and to obtain DOH approval.
- Permitting and approval assistance.
- Final design.
- Services during bidding and award.

**Sewer Rehabilitation Project:** This project consists of rehabilitating approximately 75,000 linear feet of existing concrete sanitary sewer pipe in the Pioneer Square sewage collection area. The existing pipes will be cleaned and television inspected. Repair of

defective joints will include internal grouting, soft lining, or slip lining, as appropriate. Defective manholes will be rehabilitated and failed sections of pipe will be replaced, where appropriate. Associated street patching will also be included.

**Road Project:** This project covers approximately six square blocks as shown on the accompanying map and consists of installing approximately:

- 2,700 linear feet of 6" water line
- 2,600 linear feet of 8" sewer line
- 3,300 linear feet of 15" storm drain
- 14,000 square yards of street reconstruction

The project includes replacement of water service lines and sewer laterals within the public right-of-way, as needed. Replacement of fire hydrants, catch basins, manholes, deteriorated curb and gutter, and traffic control signs and markings are also included.

**PUBLIC WORKS TRUST FUND  
SUMMARY OF ELIGIBLE PROJECT COSTS  
(as excerpted from WAC 399-30-030)**

(3) Direct costs eligible for public works loans are those costs directly attributable to a specific project and include:

(a) Work done by employees of the applicant, or by other government employees under an inter-local agreement or contract limited to: Engineering, environmental review, design activities, acquisition of rights of way or property, construction inspection activities, roadway seal coating (if bids from private sector contractors have been solicited and compared with the inter-local agreement proposal), and the cleaning, sterilization, or bacteriological testing of water system components prior to public use.

(i) Salaries and wages (at actual or average rates) covering productive labor hours of the local government employees (excluding the administrative organization of the operating unit involved). The cost of services rendered by employees generally classified as administrative are considered a direct cost only when such employees are assigned for short periods of time to perform on a full-time basis the types of services described above and when similar procedures are followed;

(ii) Employee benefits relating to direct labor are considered a direct cost of construction projects. The following items may be included as employee benefits:

- (A) F.I.C.A. (Social Security) - employer's share;
- (B) Retirement benefits;
- (C) Hospital, health, dental, and other welfare insurance;
- (D) Life insurance;
- (E) Industrial and medical insurance;
- (F) Vacation;
- (G) Holiday;
- (H) Sick leave; and
- (I) Military leave and jury duty.

Employee benefits must be calculated as a percentage of direct labor dollars. The computation of predetermined percentage rates to be applied to current labor costs must be based on the average of total employee benefits and total labor costs for the prior fiscal year and adjusted by known current year variations.

(b) Contract engineering, planning, legal, and financial planning services. The board reserves the right to declare ineligible legal costs that are unreasonable and disproportionate to the project.

(c) Right-of-way acquisition costs including:

(i) Purchase of land and easements acquired for and devoted to the project;

(ii) Purchase of improvements;

(iii) Adjustment or reestablishment of improvements;

(iv) Salaries, expenses or fees of appraisers, negotiators or attorneys;

(v) Removal or demolition of improvement;

(vi) Other direct costs in connection with the acquisition. Amounts received from the sale of excess real property or improvements and from any rentals will be reduced from the direct cost.

(d) Contract construction work.

(e) Direct vehicle and equipment charges at the actual rental cost paid for the equipment or, in the case of city or county-owned equipment, at the rental rates established by the local government's "equipment rental and revolving fund" following the methods prescribed by the division of municipal corporations. However, such costs must be charged on a uniform basis to equipment used for all projects regardless of the source of funding. Cities with a population of eight thousand or less not using type of fund are allowed the same rates as used by the department of transportation.

(f) Direct materials and supplies.

(i) An overhead rate or "loading factor" is not considered an appropriate additive to the actual cost of materials and supplies used on construction projects unless the factor is readily and properly supportable by the governmental unit's accounting records.

(ii) The cost, or reasonable estimate thereof, of materials paid for as contract estimate items, but not used, will be considered a reduction of direct costs. Any material that is salvaged in connection with a project will be assigned a reasonable value and considered a reduction of direct costs.

(iii) Wetland plants and other materials used for wetland planting, wildlife habitat, or fish habitat may be provided to a public or nonprofit organization without a reduction of direct costs.

(g) Interdepartmental charges for work performed by the local government for the benefit of specific construction projects is limited to direct costs plus an allocation of indirect costs based on ten percent of direct labor dollars, excluding employee benefits.

(h) Other direct costs incurred for materials, services, establishment of assessment districts, or elections required for a specific project are eligible for

participation by public works loan funds and may include, but are not limited to such items as:

- (i) Telephone charges;
- (ii) Reproduction and photogrammetry costs;
- (iii) Video and photography for project documentation;
- (iv) Computer usage;
- (v) Printing and advertising; and
- (vi) Election costs necessary to provide authority to incur debt or to establish a mechanism for debt repayment.

(4) Other than work identified in subsection (3)(a) of this section, no government employee labor related costs, including force account work, are eligible for financing assistance or to be considered as local match under this chapter.

(5) Applications must be submitted in writing, on forms provided by the board for the current funding cycle.

(6) A responsible official of the applicant jurisdiction must sign and verify each application for financial assistance. The official must also provide the board with additional materials or information in support of the application when requested by the board or its staff.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-30-030, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 92-03-052, § 399-30-030, filed 1/13/92, effective 2/13/92. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-30-030, filed 12/4/85.]

## WATER RESOURCE INVENTORY AREA (WRIA)

1. Nooksack
2. San Juan
3. Lower Skagit-Samish
4. Upper Skagit
5. Stillaguamish
6. Island
7. Snohomish
8. Cedar-Sammamish
9. Duwamish-Green
10. Puyallup-White
11. Nisqually
12. Chambers-Clover
13. Deschutes
14. Kennedy-Goldborough
15. Kitsap
16. Skokomish-Dosewallips
17. Quilcene-Snow
18. Elwah-Dungenness
19. Lyre-Hoko
20. Soleduck-Hoh
21. Queets-Quinault
22. Lower Chehalis

23. Upper Chehalis/Black River
24. Willipa
25. Grays-Elokoman
26. Cowlitz
27. Lewis
28. Salmon-Washougal
29. Wind-White Salmon
30. Klickitat
31. Rock-Glade
32. Walla Walla
33. Lower Snake
34. Palouse
35. Middle Snake
36. Esquatzel Coulee
37. Lower Yakima
38. Naches
39. Upper Yakima
40. Alkali-Squilchuck
41. Lower Crab
42. Grand Coulee

43. Upper Crab-Wilson
44. Moses Coulee
45. Wenatchee
46. Entiat
47. Chelan
48. Methow
49. Okanogan
50. Foster
51. Nespelem
52. Sanpoil
53. Lower Lake Roosevelt
54. Lower Spokane
55. Little Spokane
56. Hangman
57. Middle Spokane
58. Middle Lake Roosevelt
59. Colville
60. Kettle
61. Upper Lake Roosevelt
62. Pend Oreille

## Watershed Resource Inventory Areas of Washington State

